



# ***Daily Report***

## **China**

FBIS-CHI-91-076  
Friday  
19 April 1991

# Daily Report

## China

FBIS-CHI-91-076

### CONTENTS

19 April 1991

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

XINHUA Covers Gorbachev-Kaifu Talks .....	1
Gorbachev Meets Buddhists .....	1
Communique Signed .....	1
Reaction To Communique Eyed .....	1
Kaifu News Conference .....	2
Gorbachev Notes Achievements .....	2
Military Cuts Welcomed .....	3
Soviet, Japanese Foreign Ministers Sign Accords [XINHUA] .....	3
Gorbachev Leaves Japan for South Korea 19 Apr [XINHUA] .....	4
UN Envoy on Multinational Companies, Environment [Beijing Radio] .....	4
Soviets Urge DPRK To Sign Nuclear Accord [XINHUA] .....	4
LIAOWANG Reviews Baker's Mideast Trip [25 Mar] .....	4

##### United States & Canada

Reports Continue on China's MFN Status .....	6
Cotton Imports Depend on Status .....	
[Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 19 Apr] .....	6
Conditional Status Criticized [XINHUA] .....	6
'Cornerstone' of Trade Ties [ZHONGGUO XINWEN SHE] .....	7
Editorial Cites Bush's Meeting With Dalai Lama [Hong Kong WEN WEI PO 19 Apr] .....	7
Commitment to Intellectual Property Rights [GOUJI SHANGBAO 2 Apr] .....	8

##### Soviet Union

Talks on Border Disarmament Continue .....	9
Progress Made [XINHUA] .....	9
Agreement Signed [XINHUA] .....	9
Zou Jiahua Receives Supreme Soviet Visitors [XINHUA] .....	10
Heilongjiang Expands Soviet Economic Cooperation [XINHUA] .....	10

##### Northeast Asia

South Korea's Bid for UN Membership Eyed [Beijing Radio] .....	10
S. Korean Minister's Threat to DPRK Viewed .....	10
'Strong Repercussions' Seen [Beijing International] .....	10
Minister Urged To Resign [XINHUA] .....	11
DPRK Army Ready [XINHUA] .....	11
Li Peng Addresses China-Japan Friendship Talks [XINHUA] .....	11

##### Southeast Asia & Pacific

Singapore Deputy Premier's Visit Previewed [XINHUA] .....	12
Suspected Embezzlers Escorted From Singapore [XINHUA] .....	12

##### Near East & South Asia

Syrian Party Official Ends Visit After Accords [XINHUA] .....	12
---	----



### West Europe

Embassy in France Marks Tibet's Liberation Day [XINHUA] .....	13
Zhu Rongji's Visit to France Reported .....	13
Visits Oil Refinery [Shanghai Radio] .....	13
Supports Metro Project [AFP] .....	13
Welcomes Trade Ties [XINHUA] .....	13
Germany Signs Financial Aid Agreement 19 Apr [XINHUA] .....	14
Belgium Resumes Interest-Free Loans [CHINA DAILY 18 Apr] .....	14
Federation of Overseas Chinese Visits Britain [XINHUA] .....	14

### East Europe

Albanian Assembly To Investigate Shkodra Incident [XINHUA] .....	14
Bulgarian Police Stage Nationwide Demonstrations [XINHUA] .....	15
Bulgarian, Hungarian Leaders Sign Joint Statement [XINHUA] .....	15

## NATIONAL AFFAIRS

### Political & Social

'Letter' Affirms Concern for Human Rights [Hong Kong LIAOWANG OVERSEAS EDITION 15 Apr] .....	16
Tibetan 'Political Criminals' Charge Denied [XINHUA] .....	17
Government Employees Undergo Ideological Test [Hong Kong SOUTH CHINA MORNING POST 19 Apr] .....	17
Internal Document on RENMIN RIBAO Purge [Hong Kong TANGTAI 15 Apr] .....	18
RENMIN RIBAO on Ideological Education [14 Apr] .....	20
Qiao Shi Addresses Discipline Inspection Meeting [XINHUA] .....	21
Zou Jiahua on Quality, Variety, Efficiency [XINHUA] .....	22
Experts, Academics Attend Socialist Culture Forum [RENMIN RIBAO 14 Apr] .....	23
Meeting on Rural Water, Power Opens [XINHUA] .....	24
Experimental Boundary Surveys Evaluated [XINHUA] .....	24
Mao, Deng Endorse Novel <i>Li Zicheng</i> [ZHONGGUO XINWEN SHE] .....	25

### Science & Technology

*Variable-Thrust, Multiple-Restart Rocket Engine [RENMIN RIBAO OVERSEAS EDITION 30 Mar] .....	25
High-Speed Compound Computer Network Developed [XINHUA] .....	26

### Military

National Defense To Focus on High Technology [Beijing International] .....	26
General Political Department Circular on 4 May [XINHUA] .....	27
Central Military Commission To Screen Property [Beijing TV] .....	27
Nanjing Military Region Relays NPC Guidelines [Nanjing Radio] .....	27
Qinghai District Holds Mobilization Meeting [Xining Radio] .....	28
Beijing Region Promotes Party Branch Experience [XINHUA] .....	28
Ground Artillery Control System Developed [Beijing TV] .....	28

### Economic & Agricultural

Bo Yibo Marks Progress of Aviation Industry [XINHUA] .....	29
Economic Experts Warn of Inflation Danger [CHINA DAILY 19 Apr] .....	29
Problems in Current Economic Reform Viewed [JINGJI GUANGLI 5 Dec] .....	30
Regional Economic Cooperation 'Thriving' [XINHUA] .....	33
Ten-Year Water Conservancy Project Plan Set [CHINA DAILY 19 Apr] .....	33
First Quarter Economic Statistics Reported .....	34
Primary Energy Output [CEI Database] .....	34
Light Industry [CEI Database] .....	34

Mechano-Electronic Industry [CEI Database] .....	35
Transport, Post, Telecommunications [CEI Database] .....	35

## REGIONAL AFFAIRS

### East Region

Fu Xishou at Meeting on Attracting Investment [Hefei Radio] .....	36
Chen Guangyi at CPPCC Committee Meeting [Fuzhou Radio] .....	36
Jiangsu Leaders Discuss CPC, NPC Guidelines [Nanjing Radio] .....	37
Shandong People's Congress Session Opens [Jinan Radio] .....	37
Achievements in Shandong Open Zone Viewed [Jinan Radio] .....	37
Shanghai Leaders Meet Journalists [Shanghai Radio] .....	38
Wu Bangguo Chairs Shanghai Democratic Meeting [Shanghai Radio] .....	38
Wang Qun, Delegation Arrive in Shanghai [Hohhot Radio] .....	38
Shanghai Symposium Promoting Development Concludes [XINHUA] .....	39
Development of Pudong Zone Continues .....	39
Brings Changes [XINHUA] .....	39
Commercial Complex Planned [Tokyo KYODO] .....	39
Study Society Established [XINHUA] .....	40
XINHUA 'Roundup' .....	40
Differing Practices Noted [ZHONGGUO XINWEN SHE] .....	41
Shanghai Court Sentences, Executes Criminals [Shanghai Radio] .....	42
Li Zemin Discusses Helping Poor Areas [Hangzhou Radio] .....	42
Attends Family Planning Meeting [Hangzhou Radio] .....	43

### Central-South Region

Prospects for Economic Development in Guangzhou [XINHUA] .....	43
Computer Base Built in Guangdong's Huizhou City [XINHUA] .....	43
Guangxi's Foreign Investment, Relations Grow [XINHUA] .....	44
Hainan Absorbs 5.5 Billion Yuan in Investment [XINHUA] .....	44
First-Quarter Statistics [XINHUA] .....	44
Henan's Hou Zongbin Warns Against Poor Work [Zhengzhou Radio] .....	45
Attends Peony Fair [Zhengzhou Radio] .....	46
Commentary Stresses Fulfillment of Tasks [Zhengzhou Radio] .....	46
Hunan's Xiong Qingquan Relays Jiang Zemin Speech [Changsha Radio] .....	46
Hunan Holds Meeting on Political, Legal Work [Changsha Radio] .....	48

### Southwest Region

Liu Zhengwei at Meeting on Social Order [Guiyang Radio] .....	48
Charges of Tibet Nuclear Pollution 'Groundless' [XINHUA] .....	49
Yunnan's Pu Chaozhu Speaks on Religious Work [Kunming Radio] .....	49

### North Region

Xing Chongzhi Attends Hebei CPPCC Session [Shijiazhuang Radio] .....	49
Hebei Congress Standing Committee Meeting Ends [Shijiazhuang Radio] .....	50
Inner Mongolia's Industry, People's Income Up [Hohhot Radio] .....	50
Tianjin University Witnesses Student Change [XINHUA] .....	51

### Northeast Region

Heilongjiang's Sun Weiben Discusses Courts [Harbin Radio] .....	51
Liaoning's Yue Qifeng Inspects Jinxi City [Shenyang Radio] .....	52

### Northwest Region

Qinghai's Yin Kesheng Attends Muslim Ceremony [Xining Radio] .....	52
Xinjiang Public Security Director on Splittism [RENMIN GONGAN BAO 22 Mar] .....	52

Commendations Given for Baren Rebellion Defeat	[XINJIANG RIBAO 6 Apr]	53
Xinjiang Meeting on Farming, Animal Husbandry	[XINJIANG RIBAO 3 Apr]	54

## TAIWAN

Hao Urges Dealing With Protestors Swiftly	[CNA]	55
KMT, DPP Reform Talks To Continue	[CNA]	55
Li Discusses Constitutional Reform Efforts	[CNA]	56
Committee To Defend Sovereignty Founded	[TZU LI WAN PAO 13 Apr]	56
Legislative Yuan Debates 1992 Budget	[CNA]	56
Defense Budget Outlined	[CNA]	57
Funds for Scientific Research Increase	[CNA]	57
Privatization of Oil Refining Allowed	[CNA]	57
Mainland Urged To Eliminate Hostility	[CNA]	57
SEF To Handle Disputes With Mainland	[CNA]	58
Visit Postponed	[CNA]	58
Mainland Investment Lower Than Expected	[CNA]	58
Premier Wants Mainland Fishing Boats Repelled	[CNA]	59
Dissident Wan Runnan Visits Goddess of Democracy	[CHINA POST 5 Apr]	59
Hao Views Stability With Former U.S. Officials	[CNA]	59
No Quotas on Residency of Overseas Chinese	[CNA]	60
Hao Pledge on Intellectual Property Rights	[CNA]	60
EC Ratifies Agreement on Customs Clearance	[CNA]	60
Hong Kong Trade Center 'Pragmatic, Active' Move	[CNA]	61
Private Banks Allowed Hong Kong Branches	[CNA]	61
Nautical Disputes With Philippines Continue		61
Sea Route Sought	[CNA]	61
Fishermen's Release Urged	[CNA]	62
New Nicaraguan Envoy's Credentials Accepted	[CNA]	62
Austrian Airline To Begin Taipei-Vienna Flights	[CNA]	62
Trade Deficit With Japan Increases	[CNA]	62
Representative in Canada Pledges Better Relations	[CNA]	63

## HONG KONG & MACAO

### Hong Kong

Sino-UK Airport Controversy Continues		64
Deng Condemns Plan	[HONGKONG STANDARD 19 Apr]	64
Plan 'Might Be Scrapped'	[AFP]	64
Options Studied	[SOUTH CHINA MORNING POST 19 Apr]	65
Commentary Views Talks	[ZHONGGUO TONGXUN SHE]	65
'Mutual Sincerity' Urged	[TA KUNG PAO 13 Apr]	66
Editorial Examines PRC Role	[WEN WEI PO 18 Apr]	67
Issues of Transitional Period Discussed	[WEN WEI PO 11 Apr]	68
PRC Loss of MFN May Damage Local Economy		
	[HONGKONG STANDARD (BUSINESS STANDARD) 19 Apr]	69
Guangzhou Vice Mayor on Pearl River Cooperation	[XINHUA]	70
Hong Kong TV Service Begins Test Broadcasting	[XINHUA]	70

### Macao

Sino-Portuguese Liaison Group Meets	[XINHUA]	71
-------------------------------------	----------	----

## General

### XINHUA Covers Gorbachev-Kaifu Talks

#### Gorbachev Meets Buddhists

OW1804154991 Beijing XINHUA in English  
1426 GMT 18 Apr 91

[Text] Tokyo, April 18 (XINHUA)—Visiting Soviet President Mikhail Gorbachev expressed here today his wish to have a second visit to Japan.

"This time I am so busy that unfortunately I will not be able to visit Mt. Fuji. I will leave this wish for the future," Gorbachev said.

The remarks came during the Soviet leader's meeting with Daisaku Ikeda, leader of the Soka Gakkai, a laymen Buddhist organization, at the Akasaka State Guesthouse following two extra rounds of talks with Japanese Prime Minister Toshiki Kaifu.

A Soka Gakkai spokesman quoted the Soviet president as saying that improvement in mutual trust and friendship represents a "prerequisite for the settlement of all problems."

Asked whether he would like to conclude a peace treaty with Japan while he is in office, Gorbachev replied, "this is why I came to Japan and hold summit talks. This is the main topic that has been widely discussed," according to the spokesman.

Japan has refused to sign a peace treaty with the Soviet Union on condition that the thorny dispute over four islands off Hokkaido held by the Soviet Union since the end of World War II be resolved first.

#### Communique Signed

OW1904001591 Beijing XINHUA in English  
2342 GMT 18 Apr 91

[Text] Tokyo, April 19 (XINHUA)—Soviet President Mikhail Gorbachev and Japanese Prime Minister Toshiki Kaifu signed late Thursday a joint communique after their six rounds of talks focused on the long-standing territorial dispute.

The joint communique, which mentioned the territorial issue for the first time in any official documents between Japan and the Soviet Union since 1956, said Kaifu and Gorbachev held detailed and thorough talks on all of the questions involved in drafting and concluding a peace treaty between the two countries, including territorial delimitation.

The expected peace treaty should be the final document for settling accounts from the World War II, for developing long-term friendly relations between the two nations, and for keeping the two countries from harming each other, according to the communique.

It said that the Soviet side proposed an expansion of exchanges between the Japanese and residents on the four islands by creating a system allowing visa-free visits by the Japanese to the islands.

The Soviets also proposed commencement of mutually beneficial joint economic activities on the islands, and future measures to cut the Soviet military forces on the islands.

The Japanese side agreed to continue discussions on these points, according to the document.

The communique also said that the Kaifu and Gorbachev expressed their firm will to work constructively and vigorously to finish preparations for concluding a peace treaty by utilizing all the positive elements that have been accumulated since 1956, when the two countries ended their state of war and restored diplomatic relations in a joint declaration.

Referring to the situation in the Asian-Pacific region, the communique said both sides agreed on the importance of expanding dialogue and exchange of views on a broad range of issues, including security aspects of peace and prosperity in the region.

Japan welcomed the Soviet intention to join the Pacific Economic Cooperation Conference (PECC), it added.

Taking into consideration of the lessons of the Gulf war, the two sides agreed on the need of intensified efforts by the world community for non-proliferation of nuclear, chemical and other mass-destruction weapons, the communique said.

It also said that both sides expressed their interests in securing peace and stability on the Korean peninsula and their support for the continuation of the inter-Korean premiers' talks.

The two sides also attached importance to the proposals put forward by the five UN Security Council members and co-chairman of the Paris International Conference on Cambodia for a Comprehensive and Peaceful Solution to the Cambodian Problem.

#### Reaction To Communique Eyed

OW1904110091 Beijing XINHUA in English  
1033 GMT 19 Apr 91

["Roundup: Japan's Reaction to Joint Communique at Tokyo Summit"—XINHUA headline]

[Text] Tokyo, April 19 (XINHUA)—Japan's high-power politicians and leading businessmen hailed the just-issued Japan-Soviet joint communique as taking a step forward in solving the long-standing territorial issue, and looking forward to further progress in the bilateral relations.

The joint communique, signed by visiting Soviet President Mikhail Gorbachev and Japanese Prime Minister Toshiki Kaifu late Thursday, included an unprecedented

reference to the four disputed islands off Japan's Hokkaido, held by the Soviets since the end of World War II.

Kaifu said here Friday that at last Japan can mention the four islands—Shikotan, Etorofu, Kunashiri and the Habomai—by name in the Japan-Soviet joint communique after six rounds of tough talks with Gorbachev.

Keizo Obuchi, secretary-general of the ruling Liberal Democratic Party, said the Soviet Union "now considers it necessary to promote the negotiations on the territorial issue."

This indicates Moscow's policy shift on the four islands, and the two nations have taken a step forward by putting the issue on the negotiating table, he said.

Tsuruo Yamaguchi, secretary-general of Japan's Social Democratic Party, said the just-concluded Gorbachev-Kaifu summit will be a new starting point, from which the two nations can further develop bilateral relations.

Gaishi Hiraiwa, president of the Federation of Economic Organization (Keidanren), saw the joint statement as the beginning of the two nations' efforts to achieve settlement of existing political and economic issues.

"The fact that Gorbachev has met Japanese people from all walks of life and held frank discussions with them has considerable significance," he said.

While some politicians and businessmen gave plaudits to the Tokyo summit, others voiced regrets over its failure to materialize the settlement of the territorial dispute.

Endo, director of Komeito's international bureau, said, "It is regrettable to see that no major progress has been made in returning the four islands (from the Soviet Union)."

Kanda, ranking official from the Democratic Socialist Party, said, the joint communique "failed to provide the specific time for the return of the four islands to Japan. It is really regrettable."

Sasaki, a senior official from the Communist Party, said, "It is intolerable that (the joint communique) simply defines the four islands as the northern territory."

The Japanese press also expressed mixed feelings, some applauding the joint communique as positive in furthering the bilateral ties while others ventilating disappointment about the failure to solve the territorial dispute.

The daily YOMIURI said, "The agreement is... a starting point and we must step up talks over the return of the territory and the signing of a peace treaty in order to normalize Japanese-Soviet relations."

The ASAHI SHIMBUN said in an editorial that it was discontent with the failure to settle the thorny issue of the Soviet-held four islands, but added, "We must not return to the cool relations that existed before perestroika. We must foster the budding Japanese-Soviet dialogue."

### Kaifu News Conference

OW1904002291 Beijing XINHUA in English  
2338 GMT 18 Apr 91

[Text] Tokyo, April 19 (XINHUA)—Japanese Prime Minister Toshiki Kaifu said today that Japan could now put the territorial issue concerning the four northern islands on the negotiating table.

Speaking at a news conference, the prime minister assessed positively his six rounds of talks with visiting Soviet President Mikhail Gorbachev, the first ever top Soviet leader to come to Japan.

He said, at last Japan could mention the four islands—Shikotan, Etorofu, Kunashiri and the Habomais—by name in the Japan-Soviet joint communique signed with Gorbachev following six rounds of tough summit talks.

Kaifu noted that the current communique covers the 1956 Japan-Soviet joint declaration which said the Soviet Union would return two of the four islands held by it since the end of World War II—the Habomai islets and Shikotan—to Japan after the two countries sign a peace treaty.

The Japanese leader said that he and Gorbachev agreed that the conclusion of such a treaty would represent the most important matter for the two countries, but adding that Tokyo and Moscow have yet to set up a timetable for talks on the signing of the treaty.

Kaifu also stressed that economic cooperation between Tokyo and Moscow should be based on mutual trust, good-neighborliness and reciprocity, explaining that this is why Japan signed 15 technological and scientific memorandums with the Soviet Union late Thursday.

Japan has long been pursuing a policy of not separating economic cooperation from political principles in its relations with the Soviet Union.

### Gorbachev Notes Achievements

OW1804201391 Beijing XINHUA in English  
1850 GMT 18 Apr 91

[Text] Tokyo, April 19 (XINHUA)—Visiting Soviet President Mikhail Gorbachev today promised his efforts for a "radical improvement" in bilateral relations with Japan.

Gorbachev made the pledge at a news conference at the Japan National Press Club that opened well after midnight.

"I am satisfied with the work I have done in Tokyo. We signed a joint communique and other documents. They were big achievements," the Soviet president said.

Gorbachev, the first top Soviet leader to visit Japan, said the "gives and takes" over the conclusion of a bilateral peace treaty occupied 80 percent of the six rounds of summit talks that lasted more than 12 hours.



Noting that Soviet-Japan relations before the summit meetings were abnormal, Gorbachev said this has been put in the past.

"A breakthrough should be made in bilateral ties and I have gained confidence through the three days of summit talks that we are heading in such a direction."

The Japan-Soviet joint communique, signed by Gorbachev and Japanese Prime Minister Toshiki Kaifu shortly before the press conference, for the first time cited the four Soviet-held islands off Hokkaido as an issue requiring territorial delimitation between Tokyo and Moscow.

The document, however, stopped short of any Soviet commitment to return the disputed islands to Japan.

After the signing the joint communique, Kaifu said the document will give a new direction to the two nations in their efforts to establish new relations.

Gorbachev said the two countries are taking the first step into the new relationship.

During the six rounds of summit talks, Kaifu urged Gorbachev to reconfirm a pledge Moscow made in 1956 to return the two smaller islands—Shikotan and the Habomai group of islets—following the conclusion of a peace treaty, according to Japanese sources.

The Soviet president, however, rejected the demand, citing strong opposition inside the Soviet Union against such a commitment, the sources added.

The two leaders discussed economic cooperation between Tokyo and Moscow only in general, and no specific figure on potential Japanese aid was mentioned, the sources said.

Soviet Foreign Minister Aleksandr Bessmertnykh took the occasion of the signing ceremony to hand over to Japan a list of Japanese prisoners of war who died while in Soviet detention after the World War II.

Gorbachev will leave Tokyo this morning aboard the Shinkansen "bullet" train for a sightseeing trip to Kyoto, western Japan, and then fly on to atomic-bombed Nagasaki, southern Japan, before leaving Japan for Cheju Island to meet South Korean President No-Tae-u.

#### **Military Cuts Welcomed**

OW1904161291 Beijing XINHUA in English  
1437 GMT 19 apr 91

[Text] Tokyo, April 19 (XINHUA)—Japan today welcomed a proposal by Soviet President Mikhail Gorbachev to reduce military forces on four disputed islands off Hokkaido and urged a further unilateral reduction by Moscow.

"The proposal is a step toward easing tensions," Defense Agency Chief Yukihiko Ikeda told reporters.

The Soviet president made the proposal in a joint communique issued Thursday after six rounds of talks with Japanese Prime Minister Toshiki Kaifu in Tokyo.

Ikeda pointed out that it will be good for the stability in Asia, if a cut in the Soviet troops on the four islands—Kunashiri, Etorofu, Shikotan and the Habomai group of islets—will lead to a lower level of Soviet military presence in the entire Far East.

#### **Soviet, Japanese Foreign Ministers Sign Accords**

OW1804151891 Beijing XINHUA in English  
1534 GMT 18 Apr 91

[Text] Tokyo, April 18 (XINHUA)—The Soviet Union and Japan signed 15 documents Thursday on a wide range of issues including economic, scientific, technological and cultural cooperation between the two countries.

Japanese Foreign Minister Taro Nakayama and his Soviet counterpart Aleksandr Bessmertnykh signed the documents here in a ceremony attended by Soviet President Mikhail Gorbachev and Japanese Prime Minister Toshiki Kaifu.

The 15 papers consist of five agreements, four exchanges of notes, three memorandums, and three joint communiqués.

These documents will "substantially promote Japan-Soviet working-level cooperative relations" in the economic, scientific, technological, cultural, and humanitarian fields, the Japanese Foreign Ministry said.

They will also promote technical support for reforms in the Soviet Union, the Japanese Foreign Ministry said in a press release.

"It marks an important result of the diplomatic efforts which Japan has been promoting for expanded equilibrium in Japan-Soviet relations," it added.

Following are the documents signed between the two countries:

An agreement on cooperation to beef up reforms in the Soviet Union towards a market economy.

An agreement on trade and payments between the two countries from 1991 through 1995.

An agreement on cooperation to enhance environmental protection.

An agreement on cooperation in the peaceful use of nuclear power.

An agreement on prisoners of war.

An exchange of notes on trade in the Soviet Far East.

An exchange of notes with regard to an aviation agreement.

An exchange of notes on expanding air service on the Siberian route.

An exchange of notes on approval of plans for cultural exchange.

A memorandum on consultations between Japan and the Soviet Union.

A memorandum on cooperation to reduce the effect of the Chernobyl nuclear reactor accident on the health of nearby residents.

A memorandum on mutual activities to conserve important cultural properties.

A joint communique on mutual exhibitions and trade fairs.

A joint communique on cooperation in the field of fisheries.

A joint communique on the center for modern Japanese studies.

#### **Gorbachev Leaves Japan for South Korea 19 Apr**

*OW1904141191 Beijing XINHUA in English  
1256 GMT 19 Apr 91*

[Text] Tokyo, April 19 (XINHUA)—Soviet President Mikhail Gorbachev left Nagasaki Airport today for the Cheju Island in South Korea for an overnight stop and talks with South Korean President No Tae-u.

The Soviet leader concluded his four-day state visit to Japan today after visiting the graves of Russian soldiers and paying homage to the victims of Nagasaki's atomic bombing in 1945.

Gorbachev, accompanied by his wife Raisa, came to the southern Japanese city after a brief stop in Kyoto, an ancient capital in western Japan.

After arriving in Nagasaki late this afternoon, Gorbachev laid a wreath at a cemetery for Russian soldiers who died in captivity after the 1904-1905 war with Japan and visited the Nagasaki peace park to pray for peace, press reports reaching here said.

Nagasaki, one of the two Japanese cities that were hit by U.S. atomic bombs in the closing days of the World War II, was the last stop of Gorbachev's visit to Japan, the first ever by a Kremlin leader.

#### **UN Envoy on Multinational Companies, Environment**

*OW1804202491 Beijing Domestic Service  
in Mandarin 0930 GMT 16 Apr 91*

[By stations's UN-based reporter (Qian Yurun); from the "National Hookup" program]

[Text] Chinese representative (Tang Kefen) spoke at a meeting of the United Nations' multinational Corporations Committee held yesterday to examine and discuss multinational corporations and the related environmental problems. He called on multinational corporations to stop all activities that endanger the environment of other countries. He said: Some countries have, in their own interest, transferred technological processes which are prone to pollution to developing nations. At the same time, they have used, on a large scale, technology which caused serious pollution and was detrimental to the environment, thereby precipitating a negative effect on the environment of the developing nations. He pointed

out: Multinational companies possess abundant financial resources and advanced technology. They have the responsibility as well as capability to provide funds and transfer technology to developing nations, and help them improve their environment. China urges developed countries which boast a large number of multinational companies to take practical measures and encourage their multinational companies to make their contribution toward environmental protection.

#### **Soviets Urge DPRK To Sign Nuclear Accord**

*OW1904034091 Beijing XINHUA in English  
0138 GMT 19 Apr 91*

[Text] Moscow, April 18 (XINHUA)—Moscow asked Pyongyang Thursday to open its nuclear facilities to international supervision and said it will link this up with their future nuclear cooperation.

Speaking at a news briefing here today, Foreign Ministry spokesman Yuriy Gremitskikh said Moscow favors the earliest possible signing of an agreement between the Democratic People's Republic of Korea (DPRK) and the International Atomic Energy Agency (IAEA).

The prospects for Soviet cooperation with DPRK in the peaceful use of atomic energy will depend on such an agreement, which will place the DPRK's nuclear facilities under IAEA supervision, the spokesman added.

Observers here noted that the Foreign Ministry spokesman made these remarks just one day before a meeting between Soviet President Mikhail Gorbachev and South Korea President No Tae-u on Cheju Do island of South Korea.

Observers believed that South Korea is likely to ask Moscow to stop its nuclear fuel supplies to the DPRK.

Meanwhile, Gremitskikh denied the alleged Soviet deliveries of plutonium to the DPRK, stressing "the Soviet Union has not made such deliveries either to the DPRK or to any other country."

Speaking of a DPRK nuclear reactor built in 1964 with Soviet assistance, the spokesman said it has been under IAEA supervision for a long time.

"The Soviet Union supplied nuclear fuel for the reactor in strict conformity with both the non-proliferation treaty and the IAEA charter," he added.

#### **LIAOWANG Reviews Baker's Mideast Trip**

*HK1904015691 Beijing LIAOWANG in Chinese  
No 12, 25 Mar 91 pp 45-46*

[Article by LIAOWANG contributing correspondent He Dalong, in Washington: "Baker's Diplomatic Activities in Middle East"]

[Text] Between 8 and 17 March, U.S. Secretary of State James Baker visited Saudi Arabia, Kuwait, Egypt, Israel, Syria, the Soviet Union, and Turkey. The main objective of

his trip was to talk with the leaders of these countries about issues concerning peace and stability in the Middle East after the Gulf war. But, according to a report in THE NEW YORK TIMES, Baker's trip "failed to achieve a breakthrough" in solving the Middle East problem and "the Gulf war actually did not bring much new inspiration for the (solution of) Arab-Israeli problems."

Upon the conclusion of the Gulf war, the Arab-Israeli issue has stood out. During the Gulf crisis, some Arab countries criticized the U.S. Government for applying "dual criteria" in handling invasion by Israel and the Iraqi invasion. In order to draw the Arab countries over to their side against Iraq, the U.S. Government VIP's made repeated promises that after the Iraqi issue was settled, the United States would do its utmost to resolve the Arab-Israeli conflict and the Palestine issue. Therefore, after the Gulf war, the U.S. Government, acutely pressurized by world opinion and the Arab countries, had to do something about settling the Middle East issue. In the meanwhile, the United States wants to make the most of its victory in the Gulf war and arrange the "new Middle East order" according to its own will. It was against this background that Baker visited the Middle East.

Before his departure, President Bush announced in the Congress a four-point plan for establishing the "new Middle East order" after the Gulf war: Making arrangements for security in the Gulf region; controlling armaments in the Middle East area; settling the Arab-Israeli conflict; and promoting economic development in the Middle East. Bush also announced that "it is time to end the Arab-Israeli conflict," that "a new world order" is emerging, and that the United States will "play a leading role" in this. He asked Baker "to listen, to explore, to suggest, and to promote the pursuit of peace and stability" in the Middle East.

#### **The Arms Race in the Middle East Will Not Cease**

President Bush announced on 6 March that in order to achieve "security and stability" in the Middle East, it is necessary to control the arms race in the Middle East, prevent the spread of large-scale destructive weapons in the Gulf and Middle East region, and prevent Iraq from rearming. Afterwards, the White House formally promulgated the new regulations tightening control over the export of materials and technology for producing large-scale destructive weapons, such as chemical and biological ones. On 10 March, Baker talked with the foreign ministers of Egypt, Syria, and six Gulf countries on this issue in the Saudi capital, Riyadh, and some progress was made.

However, before Baker wound up his visit to the Middle East, news was heard from within the United States that the U.S. Government was planning to sell US\$18 billion worth of arms to five Middle East countries. This figure is twice the average annual export of US\$9 billion in arms to various countries in the world during the 1980's. On his Middle East tour, Baker explained: "First, the United States does not say that it is going to seek ways to

impose restrictions on conventional weapons. What we do say is that we are going to explore the possibility of restricting conventional weapons together with the countries in this region and arms supplying countries." According to a report in THE NEW YORK TIMES, it seems that Bush only plans to restrict large-scale destructive weapons, such as nuclear, chemical, and biological ones in the Middle East "and deliberately leaves out the issue of conventional arms control from his list of four targets to be achieved in the postwar Middle East."

When visiting the Soviet Union, Baker kept urging the Soviet Government not to arm Iraq again by selling arms to the Middle East. But in the meantime, when he was visiting Canada on 13 March, Bush clearly stated that the United States objects to Canadian Prime Minister Mulroney's proposal that the United Nations convene a meeting of heads of states around the world to discuss banning the exporting of weapons by any country. Bush said unequivocally: "We will not stop selling all kinds of weapons." It seems that the U.S. Government only wants to stop other countries selling arms to the Middle East while trying to step up the expansion of its highly lucrative arms market there by taking advantage of the opportunity that the Gulf war brought, showing that U.S. weapons were more advanced than any other country's. According to a report, arms merchants in the United States have received US\$33 billion in orders for weapons from Middle East countries.

The Middle East has always been a big "powder keg" and now the arms race is showing a tendency to escalate. Therefore, even though the U.S. Government wishes to make "arrangements for regional security" or to adopt "measures for arms control," it seems unlikely that what they do will promote peace and stability in the Middle East.

#### **Major Progress in Middle East Peace Process Is Unlikely**

The main purpose of Baker's visit to the Middle East is to discuss with Saudi, Egyptian, Israeli, and Syrian leaders how to settle the Arab-Israeli conflict. Even though he left a strong impression of optimism during his visit, the information that has been revealed so far shows that Baker failed to achieve any substantial progress in settling the Arab-Israeli conflict.

Israel's attitude to the settlement of the Middle East issue, as it declared before Baker's visit, is still the "two-no policy," that is, no abandoning of its occupied territory in Arab countries and no acknowledging the PLO. On the eve of Baker's visit, President Bush stated in Congress that settlement of the Arab-Israeli conflict should be based on UN Security Council Resolutions 242 and 338 and the principle of "exchanging land for peace." But so far as the coverage by the reporters in his entourage shows, Baker did not make any change to the U.S. Government's consistent position of siding with Israel and the "dual criteria" in handling the Middle East issue, nor did he show any intention of putting pressure on Israel. On the contrary, the two sides stood



together and echoed each other in opposing the convening of an international peace conference to settle the Middle East issue, refusing to talk with the PLO, and following the policy of so-called "dual-track negotiation." Small wonder that the Shamir administration officials all expressed their "happiness" after talking with Baker, simply because the U.S. side had not put "heavy pressure" on Israel.

The so-called "dual-track negotiation" policy means: Israel will hold "negotiations without preconditions" with some Arab countries. In other words, these countries will discuss with Israel the issue of terminating the "state of war" and achieving "peaceful coexistence" under the prerequisite that they accept the fait accompli of Israel's occupation of the West Bank, the Gaza Strip, and the Golan Heights. On the other hand, Israel will talk with Palestinian representatives, but only those whom it acknowledges, from its occupied territories on the issue of limited "autonomy" for Palestinians.

This is obviously unacceptable to Arab countries and Palestinians. When talking with Baker, the leaders of Arab countries expressed their fervent wish to pursue "true peace" in the Middle East after the Gulf war. On the other hand, they expounded their principled stand. As Baker was winding up his visit, the Syrian Foreign Minister said: We "should no longer use the dual criteria" in enforcing the UN Security Council resolutions on Middle East issues and only after Israel ends its occupation of Arab territories, can the Arab states agree to terminate the "state of war" toward Israel. He held that convening an international peace conference is an "appropriate approach" to a comprehensive and just settlement of the Middle East problem. The foreign ministers of eight Arab countries also expressed such a principled position when they met with Baker in Riyadh.

In the meantime, 10 Palestinian representatives from the occupied territories also met with Baker in Jerusalem on 12 March. They requested that the U.S. Government resume dialogue with the PLO, press Israel to implement the relevant Security Council resolutions, and check the Israeli Government's plan for mass Jewish resettlement in the occupied territories.

Faced with Israel's stubborn stance and the principled position of the Arab countries and the Palestinian people, the U.S. Government is unable to put forward any new ideas or a concrete plan for settling the Arab-Israeli conflict. Baker, after completion of his trip to the Middle East, also had to admit: "We are now facing the most knotty problem," "we have a long way to go," and "we cannot but take one step at a time."

## United States & Canada

### Reports Continue on China's MFN Status

#### Cotton Imports Depend on Status

HK1904022491 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 19 Apr 91 p 1

[By Iris Lee in Guangzhou]

[Text] China's textile industry has warned that it will have to slash cotton imports from the United States if Washington removes the mainland's Most-Favoured-Nation (MFN) trading status.

Mr. Zhao Boya, deputy general manager of the China National Textiles Import and Export Corp general business department, said China imported a large amount of cotton from the U.S. for its textile exports.

But the removal of the MFN status would cut exports to the U.S. and, therefore, the consumption of cotton.

He added that the lower to mid-range textile market in the U.S. also would be adversely affected as products in these categories were China's major exports to that country.

"With our Government's abolition of subsidies on exports this year, our production costs will be increased and we will cut down exports to those countries which we find unprofitable," said Mr. Zhao.

He said China's textile exports to the U.S. would attract an extra U.S.\$1.3 billion in customs tax, based on 1989 figures, if the status was removed.

The extra tax could amount to as much as \$3.2 billion if re-exports of Chinese textile goods were included, which was the calculation method used by the U.S. for bilateral trade.

The U.S. market, which accounts for about 10 percent of China's textile exports, would continue to shrink with stricter control of export quotas.

"The trade volume is bound to decrease unless we step up the development of higher-end products but it will not be easy for us in short term," said Mr. Zhao.

The industry was also looking to develop new markets such as South America and Africa.

With the U.S. export quotas and the anti-dumping controls imposed by European countries, he expects a difficult year for China's textile industry.

### Conditional Status Criticized

OW1904021991 Beijing XINHUA in English 0156 GMT 19 Apr 91

[Text] New York, April 18 (XINHUA)—A Chinese newspaper published here, "the CHINESE PRESS", issued an editorial today criticizing those who advocate the revoking or conditional granting of Most-Favored Nation (MFN) status to China.

The paper emphasized that mutual preferential treatment is the pillar of Sino-U.S. economic trade relations.

The editorial said that Sino-U.S. economic and trade cooperation has registered remarkable growth since the bilateral trade agreement, which was established on the principle of reciprocal Most-Favored Nation trading status, was signed

in 1979. Trade volume has soared from zero to 11.77 billion U.S. dollars in 1990, the editorial added, pointing out that the maintenance of China's MFN status serves the interests of both countries.

Responding to activities in the U.S. Congress against the continuation of China's MFN status, the editorial says the main intention is to force China to retreat from its principles on human rights.

It said that "the United States and China differ in their views on human rights; and neither side should impose its own views upon the other."

The Chinese leaders, the editorial continued, have expressed on many occasions that human rights to a nation are, first of all, a people's right to live and a country's right to remain independent.

The editorial noted this interpretation differs from U.S. criteria on human rights. If one nation tries to force others to accept its own criteria for human rights, however, no independent nation with dignity would accept them, the editorial pointed out.

#### **'Cornerstone' of Trade Ties**

HK1904151391 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1126 GMT 19 Apr 91

[Report: "GUOJI SHANGBAO Calls for Safeguarding the Cornerstone of Sino-U.S. Economic and Trade Relations"]

[Text] Beijing, 19 Apr (ZHONGGUO XINWEN SHE)—GUOJI SHANGBAO [INTERNATIONAL BUSINESS], which will be published on 20 April, carries an editorial calling for safeguarding the cornerstone of Sino-U.S. economic and trade relations—mutually providing most favored nation treatment.

Sino-U.S. trade increased to \$11.7 billion in 1990, a fourfold increase over 1979, a period before the establishment of their diplomatic relations. The United States has become China's third biggest trade partner. U.S. investments in China rank first in the world, with agreements amounting to \$4.36 billion.

This editorial, entitled "Safeguard the Cornerstone of Sino-U.S. Economic and Trade Relations," points out that it has not been easy for the two countries' economic and trade relations to develop to such a level as today, adding that this has resulted from the joint efforts of the two governments, Chinese and U.S. enterprises, and people from all walks of life in overcoming difficulties; both sides should treasure it.

The editorial says: Last year some people in the U.S. Congress proposed abolishing China's most favored nation status, but to no avail. This year some people proposed the same bill in an attempt to terminate or conditionally reserve China's most favored nation status. If they succeed in their attempt, the cornerstone of Sino-U.S. economic and trade relations will be seriously harmed [yan zhong sun hai 0917 6850 2275 1364].

This will seriously affect Sino-U.S. bilateral relations, particularly their economic and trade relations, and cause a big retrogression [da dao tui 1129 0227 6622] in Sino-U.S. economic and trade relations. Neither the Chinese nor American people are willing to see this happen, because it will seriously affect China's exports to the United States, U.S. consumers' interests, China's imports from the United States, U.S. investors' interests in China, and Hong Kong's prosperity and stability. This major issue, which can produce an overall impact, has of course evoked grave concern in the two countries' economic and trade circles.

The editorial points out that safeguarding and extending China's most favored nation status not only conforms with Sino-U.S. interests but also with the international political and economic trend.

The editorial adds: There is great development potential in Sino-U.S. economic and trade relations. The two countries' economies are characterized by a strong supplementary nature. China needs U.S. technology, capital, and market whereas the United States needs China's market—a big market with 1.1 billion people—and wishes to import necessary Chinese commodities. Developing Sino-U.S. economic and trade relations on a long-term and stable basis corresponds with the two countries' common interests. As long as China and the United States treasure the already established friendly cooperation, respect each other, improve mutual understanding, and preserve the most favored nation treatment, which is the cornerstone of bilateral economic and trade relations, there will be bright prospects for Sino-U.S. economic and trade cooperation.

#### **Editorial Cites Bush's Meeting With Dalai Lama**

HK1904041591 Hong Kong WEN WEI PO in Chinese  
19 Apr 91 p 2

[Editorial: "Bush Interferes in China's Internal Affairs by Meeting Dalai Lama"]

[Text] U.S. President Bush's meeting with the Dalai at the White House on 17 April apparently went counter to the stance reiterated by the U.S. Government that it views Tibet as a part of China's territory. Conniving at and supporting the Dalai's efforts to propagate his view on "independence for Tibet," to split the motherland, and to disrupt national unity, the president's act constituted a flagrant [cu bao 4723 2552] interference in China's internal affairs. In this connection, Liu Huaqiu, PRC vice minister of foreign affairs, summoned James Lilley, U.S. ambassador to China, to lodge a strong protest against the United States.

This solemn and just stand by China is an expression of the Chinese nation's determination to defend national dignity and sovereignty. Any attempt by any foreign government to interfere in China's internal affairs and to separate Tibet from China's territory will never succeed.

The Bush Administration argues that it takes Dalai as a religious leader. Such an argument will not help to conceal, but to expose more clearly, the fact. As a matter of fact, Dalai is not merely a religious figure but a political exile who is campaigning for "Tibetan independence" with a view to splitting the motherland and disrupting national unity. When addressing the U.S. Congress, he did not mention religion at all but simply called for foreign support for his attempt to split China, begging foreign countries to impose economic sanctions against China, so that Tibet would be turned into an independent political entity and a serfdom, characterized by the unification of politics and religion and rule by divine right, would be reestablished in the region.

Prating about "human rights" abroad, the Dalai actually supports foreign forces in their attempts to interfere in China's internal affairs under the pretext of "human rights."

In inviting Dalai to talk glibly about "human rights" in Congress, the United States has indeed made a big mockery of its "human rights diplomacy."

It is absolutely ridiculous to classify a man as a fighter for "human rights" simply based on his preaching and claims without looking into his past misdeeds. Now, the Dalai has spoken every "fine word" but actually what was Tibet like under his rule? American politicians indeed need to take a lesson in Tibetan history because they are so ignorant in this regard. In the past, Tibet was under the Dalai's rule, where the unification of politics and religion was practiced. In the 1940's, Tibet had a population of 1.2 million, of which 95 percent were serfs. Feudal lords and lamas who made up less than 5 percent of the population owned all the land in Tibet. Serfs were attached to land and their offspring, who kept the status of serfs, were not allowed to leave freely but had to work for the feudal lords free of charge. The serf masters could lash and slaughter serfs whenever they liked, or they could even put serfs to torture by cutting off their noses, gouging out their eyes, and cutting off their arms and legs, or put them to death by dismembering their bodies. All kinds of shackles, handcuffs, and instruments for gouging eyeballs and hearts which the Tibetan serf masters used to torture their serfs are now on display in history museums. The Dalai, as the political representative of those serf masters, still strives to stage a comeback. Why does the United States appreciate this man who represents such savage serfdom? What "human rights" are these? What kind of "humanism" is this? To put it bluntly, the Americans in so doing, are actually flagrantly interfering in China's internal affairs in the guise of "human rights." This is the very reason why the United States is receiving the Dalai as a notable guest.

Dalai slanders China for implementing a so-called genocidal policy in Tibet. But facts speak louder than words. The past 40 years or more has seen a higher population growth rate in Tibet than in Han nationality areas, with the region's population increasing remarkably from 2.7 million in 1953 to 4.59 million in 1990. Nowadays, the Tibetans have

gained their rights in the political and economic fields. They can arrange farming on their own on their farmland, they can own houses and tractors, and most households have their own television sets. The Dalai clique's slanders simply show their fear to face reality.

Any Americans who are willing to find out the facts can of course visit Tibet in person to have a look and compare the personal rights that the Tibetans are enjoying today in the new society with what they had in the past. But the Americans have refused to do so. U.S. President Bush's entertaining Dalai has seriously hurt the Chinese people's feelings and also the relations between the two countries. Some Americans like to flaunt the banner of "human rights" but, in fact, it is nothing more than a guise.

### Commitment to Intellectual Property Rights

HK1804044391 Beijing GUOJI SHANGBAO in Chinese  
2 Apr 91 p 1

[Report by correspondent Zhou Jisheng (0719 4949 0524): "Zhao Chengbi, Director of Treaty and Law Department Under Ministry of Foreign Economic Relations and Trade, Says China Is Actively and Earnestly Protecting Intellectual Property Rights."]

[Text] In the light of the questions raised by the United States regarding China's protection of intellectual property rights, this reporter recently visited Professor Zhao Chengbi, director of the Treaty and Law Department under the Ministry of Foreign Economic Relations and Trade. Zhao Chengbi pointed out: China is actively, earnestly, and rapidly realizing the protection of intellectual property rights and is gradually moving closer toward international standards. China's guiding ideology on this question is clear-cut. As we make rapid progress and strive to narrow the gap with international protection standards, it would be unfair for the United States to carry out sanctions against China.

Citing Premier Li Peng's speech on China's further expansion of the opening up in the next 10 years, Zhao Chengbi pointed out: An important aspect of the expansion of the opening up is the strengthening of international economic and technological cooperation. This is our own need, too. Consequently, our country has in recent years established a legal system to protect intellectual property rights as well as created a corresponding legal structure. China has promulgated and implemented a patent law (promulgated in 1984 and implemented on 1 April 1985), a trademark law (promulgated in 1982 and implemented in 1983), and a copyright law (promulgated in 1990 and implemented on 1 June 1991). It has already obtained universally-acclaimed achievements in the protection of industrial property rights. By the end of February, China had accepted and heard 170,000 applications for patent licences, approving 60,000 of them. Of these, the most number of applications for patent licenses came from the United States with 9,300, 1,456 of which were approved. More than 30,000 trademarks were registered, and 12,000 of them were approved.

To step up the protection of intellectual property rights, China has also strengthened its judicial work and has begun to set up adjudication divisions charged with handling disputes on intellectual property rights in the courts.

In particular, Zhao Chengbi pointed out: In a bid to step up the protection of intellectual property rights and move closer toward international standards, China has already joined the World Intellectual Property Organization and become a signatory to the Paris Convention on Protection of Industrial Property Rights and the Madrid Agreement on International Registration of Trademarks. Zhao Chengbi told this reporter that China is presently preparing to become a signatory of the Bern Convention on the Protection of Literary and Artistic Works. At the same time, China will also strengthen bilateral contacts with certain countries and undertake concrete consultations in order to resolve issues on the protection of intellectual property rights.

Zhao Chengbi maintained that the country's attitude on the question of protection of intellectual property rights is positive, and its achievements are clear for all to see. To obtain the aforementioned accomplishments within the short period of seven to eight years should be regarded as very fast. Citing the United States as an example, he said that while the United States formulated the copyright law in 1790, it was not until 1 March 1989 that it became a signatory to the Bern Convention, a lapse of nearly 200 years. It formulated the patent law, but it was only in 1988 that it extended the patent law to cover directly-obtained products. Meanwhile, in Japan, it was only in 1976, 90 years after promulgation of its patent law, that the scope of protection was extended to cover petrochemical products.

Zhao Chengbi pointed out: While there may be some flaws in China's efforts on the protection of intellectual property rights, China is striving to make improvements. At the moment, it is drawing up the implementation guidelines on Article 53 of the copyright law which concerns the protection of computer software. While some foreigners may hold different views on the question of the period under protection, we maintain that China's extension of protection right after the introduction of the computer software should be regarded as very prompt. The protection of intellectual property rights connected with pharmaceutical and petrochemical products is a very complicated issue. The right of protection is either not granted or granted only after a long period of time by many countries. In spite of this, Zhao Chengbi solemnly pointed out that China is also earnestly considering granting this right. China will also amend its patent law to adapt to the new situation. Naturally, this will require a certain period and a certain process.

Finally, Zhao Chengbi pointed out that we are presently making active efforts to improve the system related to the protection of intellectual property rights in order to provide legal guarantees for the entry into China's markets by the United States and other countries. If, given these circumstances, China is listed as a "key country"

targeted for unilateral action, it would be unfavorable for both China and the United States. As for the difference in views, it will be beneficial to both sides if a just and rational solution is found through negotiations and consultations. The United States should not find it hard to understand this point.

## Soviet Union

### Talks on Border Disarmament Continue

#### Progress Made

OW1804114091 Beijing XINHUA Domestic Service  
in Chinese 1020 GMT 18 Apr 91

[Text] Moscow, 18 Apr (XINHUA)—Chinese and Soviet delegations of foreign and military affairs experts held their third round of talks in Moscow 4-18 April to discuss the implementation of the two governments' agreement governing the guiding principles for the mutual reduction of military forces along the Sino-Soviet border areas and for promoting trust in the military sphere.

Some progress was achieved in the talks, which proceeded in a friendly, earnest, and truth-seeking atmosphere. Both sides agreed that negotiations would continue in connection with drawing up relevant documents on specific steps in implementing the guiding principles.

During the negotiations, Deputy Soviet Foreign Minister Rogachev met with members of the Chinese delegation. The Chinese delegation also paid a visit to the Belorussian Military Region.

#### Agreement Signed

OW1804183991 Beijing XINHUA Domestic Service  
in Chinese 1513 GMT 18 Apr 91

[Text] Moscow, 18 Apr (XINHUA)—An agreement on close cooperation between military personnel of the Rear Baykal [hou bei jia er 0683 6296 0502 1422] Border Defense Region under the Soviet Committee of State Security and the Public Security Department of the PRC's Inner Mongolia Region was signed on 18 April in Chita.

After consultations, Soviet and Chinese border defense personnel have agreed that they will cooperate in investigating border incidents and improving the procedures for passenger and cargo transportation across the border.

Major General (Lusanov), commander of the Rear Baykal Border Defense Force, told TASS: "We hope that the agreement signed today will enable the Soviet Union and China to make more energetic efforts to develop business and economic contacts and consolidate the friendship between the two peoples."



**Zou Jiahua Receives Supreme Soviet Visitors***OW1904120791 Beijing XINHUA in English  
1157 GMT 19 Apr 91*

[Text] Beijing, April 19 (XINHUA)—Senior Chinese officials and a delegation of the Soviet of the Union of Supreme Soviet of the USSR agreed here today to further the friendly and good-neighborly relations of China and the USSR.

The agreement was reached by Chinese Vice-Premier Zou Jiahua and Vice-Chairman Peng Chong of the National People's Congress Standing Committee and the delegation headed by A.N. Saunin, vice-chairman of the Planning, Budget and Finance Commission of the Soviet of the Union of Supreme Soviet, in their meetings here this afternoon.

Zou said in his meeting with the Soviet visitors that the Chinese Government would expand economic and technical cooperation and trade with the USSR on the basis of equality and mutual benefit.

Zou gave them an account of China's economic reform.

In a separate meeting with the guests, Peng Chong, who visited the USSR last July at head of a Chinese National People's Congress delegation, praised the resumption and development of the relations between the law-making bodies of the two countries.

He called for more exchanges to deepen the traditional friendship between the Chinese and Soviet people.

Saunin said that the USSR and China have many things in common. He said he would like to know as much as possible about the practice and experience of China's reform during the week-long visit.

The visitors arrived here at noon today as guests of the Financial and Economic Committee of the National People's Congress.

Yang Bo, vice-chairman of the committee, had talks with the delegation this afternoon. They exchanged views on economic reforms in their respective countries.

The delegation was honored at a dinner given by the host committee this evening.

**Heilongjiang Expands Soviet Economic Cooperation***OW1904102591 Beijing XINHUA in English  
0940 GMT 19 Apr 91*

[Text] Harbin, April 19 (XINHUA)—Northeast China's Heilongjiang Province has gradually expanded its local and border trade with the Soviet Union in recent years.

Statistics show that the Heilongjiang's export earnings from local and border trade between the province and the Soviet Union in 1990 stood at 280 million U.S. dollars, accounting for one-fourth of the province's total export value.

Meanwhile, the province also completed a total of 117 technical cooperative programs, involving 232 million Swiss francs.

To date, the province has opened 10 trading ports to the Soviet Union.

The annual fair on the economic cooperation and trade among Heilongjiang Province and the Soviet Union and East European countries will again be held in Harbin, capital of the province.

To make full use of its geological advantages, the provincial government has called on its enterprises to do business and set up branch enterprises in the free economic areas in Siberia and the eastern part of the Soviet Union.

Moreover, the provincial government recently drew up a series of preferential policies to attract more investors from Taiwan and South Korea.

The province already has established trade and economic relations with the United States, Japan, Hong Kong and East Asian countries.

**Northeast Asia****South Korea's Bid for UN Membership Eyed***OW1904113591 Beijing in Mandarin to Taiwan  
1500 GMT 18 Apr 91*

[From the "News" program]

[Text] During a news briefing held in Beijing on 18 April, a spokesman of the Chinese Ministry of Foreign Affairs, when asked to comment on China's export of goods produced by prisoners, said: Chinese departments in charge of reform-through-labor affairs are responsible for educating and reforming prisoners according to law. They are not allowed to take part in activities concerning foreign economic relations and trade. The Chinese Government also does not permit reform-through-labor units to operate export and trade businesses. The allegation that China is exporting commodities produced by prisoners is totally groundless.

Answering a question about China's view toward South Korea's bid for UN membership this year, the spokesman said: We think the international community should encourage both the southern and northern parts of Korea to settle this issue properly through consultations.

**S. Korean Minister's Threat to DPRK Viewed****'Strong Repercussions' Seen***SK1904101091 Beijing International Service  
in Korean 1100 GMT 18 Apr 91*

[Text] The XINHUA news agency reporter in Pyongyang has published a special article entitled "Did the South Korean Defense Minister Make a Slip of the Tongue?"

The special article reads: In his news conference held in Seoul some time ago, Yi Chong-ku, South Korean defense minister, babbled that South Korea will send its commandos to the North and destroy the nuclear reactor facilities in the North. These remarks are creating a strong repercussion on the Korean peninsula.

The Committee of the Peaceful Reunification of the Fatherland, in its statement released on 14 April, strongly criticized this. It pointed out that this is a declaration of war by South Korea against the North. The South Korean opposition parties and people from all walks of life have pointed out that the recent remarks by Yi Chong-ku goes against the world current, and that it had blocked the peaceful dialogue of Korea and aggravated tensions on the Korean peninsula. In addition, they have unanimously demanded the resignation of Yi Chong-ku.

The statement calling for him to cancel his remarks urged Yi Chong-ku to take a step to guarantee peace on the Korean peninsula. It also urged the South Korean authorities to sign the mutual non-aggression declaration and the peace treaty with the North. The South Korean authorities, however, urgently saying that Yi Chong-ku's remarks were a slip of the tongue, have spoken for him. Is this really true?

In the North-South premiers' talks held in September last year, the South, giving various reasons, refused the draft mutual nonaggression declaration expounded by the North. During the past year or two, South Korea has recently and constantly bought modern equipment such as advanced planes and tanks from the United States.

Some time ago the South Korean defense ministry announced that it will complete the work of establishing the national defense computer network in the first half of the 1990's, which was originally to be completed in the second half of the 1990's, in order to strike the other party a fatal blow in case of an emergency.

This tells that South Korea has never given up its attempt to swallow the North with arms, and that Yi Chong-ku's remarks were not a slip of the tongue.

#### **Minister Urged To Resign**

*OW1904081091 Beijing XINHUA in English  
0703 GMT 19 Apr 91*

[Text] Pyongyang, April 19 (XINHUA)—President of South Korea's opposition New Democratic Union, Kim Tae-chung, Thursday demanded Defense Minister Yi Chong-ku step down for his clamour to raid nuclear reactors in the North.

Kim Tae-chung said at a news conference that the authorities should not have tried to plead for Yi's remarks. They should apologize to the people for the incident and the defense minister should resign.

Over the past few days, South Korean opposition parties, social organizations and students have opened fire at Yi's threat to destroy the reactors of the North side.

Yi said on April 12 that South Korea would send special troops to explode the nuclear reactors in the northern part of Korea if the latter refuses to accept international nuclear inspection.

The Seoul authorities came out to speak for Yi Chong-Koo on April 14, saying his remarks just "a slip of tongue."

#### **DPRK Army Ready**

*OW1904081391 Beijing XINHUA in English  
0544 GMT 19 Apr 91*

[Text] Pyongyang, April 19 (XINHUA)—The Democratic People's Republic of Korea (DPRK) said today that its Armed Forces are ready at any time to counter any possible attacks, in another response to a recent threat from Seoul to destroy nuclear reactors in the North.

A spokesman for the Ministry of People's Armed Forces said in a statement that the Armed Forces are an iron wall to protect socialist Korea and a peace-loving Army to prevent wars.

The People's Armed Forces allow no one to attack the country, the statement stressed.

South Korea's Defense Minister Yi Chong-ku said on April 12 that South Korea would send special troops to explode the nuclear reactors in the northern part of Korea if the latter refuses to accept international nuclear investigation.

On Wednesday, DPRK reacted angrily to the threat, describing Yi's remarks as "provocative."

Today's statement said the People's Armed Forces are watching closely South Korea's war scheme and ready to cope with any eventualities. The South Korean authorities should be held responsible for all consequences arising from confrontation and tense situation between the northern and southern parts of Korea, it said.

#### **Li Peng Addresses China-Japan Friendship Talks**

*OW1904123491 Beijing XINHUA in English  
1206 GMT 19 Apr 91*

[Text] Tokyo, April 19 (XINHUA)—Japanese Prime Minister Toshiki Kaifu today said he hopes to visit China at an early date and to help promote bilateral relations.

"I hope to visit China at a convenient time for both sides and I wish to make some contribution to further consolidating the friendship between the two countries," Kaifu said in a speech on the opening day of the seventh session of the 21st Century Committee for China-Japan Friendship.

Chinese Premier Li Peng sent a congratulatory message to the meeting, saying that the building of a lasting and stable bilateral relationship of mutual cooperation will benefit peace and prosperity of the Asian-Pacific region and the world as well.

Li also said in his message that he hopes some proposals could be put forward at the meeting to help promote the friendly and cooperative Sino-Japanese relations under the new world situation.

Ten representatives from each country are to discuss bilateral ties as well as the international situation on Saturday and Sunday under the theme of "Contributions by China and Japan to the Formation of a New World Order," in Japan's Fukushima Prefecture.

### Southeast Asia & Pacific

#### Singapore Deputy Premier's Visit Previewed

OW1804144891 Beijing XINHUA in English  
1415 GMT 18 Apr 91

[Text] Singapore, April 18 (XINHUA)—Singapore Deputy Prime Minister and Minister for Trade and Industry Brigadier-General Lee Hsien Loong will make an official visit to China from May 2, the Trade and Industry Ministry announced today.

It will be the first high level delegation visiting China since Singapore and China established diplomatic relations last October.

During the two-week visit to Beijing, Shanghai, Guangzhou, Shenzhen, Xiamen and Hangzhou, the delegation will explore ways to strengthen cooperation between the two countries, especially in economic fields.

According to data from Singapore Trade and Industry Ministry, Singapore's trade with China stood at 5.2 billion Singapore dollars (2.96 billion U.S dollars) last year.

Lee, 39, was elected as a parliament member in 1984, appointed minister for trade and industry and second minister for defense (services) in 1987, became deputy prime minister in Goh Chok Tong cabinet in November last year.

China-Singapore ties have been promoted in many areas, including trade and other economic fields, since the establishment of diplomatic relations between the two countries. Last week a trade mission led by Minister of State for Trade and Industry Mah Bow Tan visited China's Hainan Province to explore investment opportunities and economic cooperation with the China's second largest island.

#### Suspected Embezzlers Escorted From Singapore

OW1804143391 Beijing XINHUA Domestic Service  
in Chinese 1255 GMT 16 Apr 91

[By Correspondent Zhan Hong (2069 4767) and reporter Zhou Lixian (0719 4539 2009)]

[Text] Beijing, 16 Apr (XINHUA)—Two suspects, Feng Yang [7458 7122] and Xu Jianxin [1776 1696 2459], who allegedly embezzled 5.1 million yuan in state funds, were escorted back from Singapore to Beijing by our police officers this afternoon.

Feng Yang (female), head of Finance Department of Huzhou City Industrial and Commercial Bank Trust Investment Company, Zhejiang Province, in collusion with Xu Jianxin, a contractor from Huzhou City's Fenghai Market, was found transferring funds amounting to 5.1 million yuan from the bank between March and October 1990 by means of fake "trusted loan" and encashed 1.04 million yuan before fleeing to Singapore, using fake Taiwan passports.

At the request of our police authorities, relevant authorities in Singapore arrested Feng and Xu on 5 April this year and decided to repatriate them to China.

### Near East & South Asia

#### Syrian Party Official Ends Visit After Accords

OW1804130591 Beijing XINHUA in English  
1120 GMT 18 Apr 91

[Text] Beijing, April 18 (XINHUA)—Deputy General Secretary 'Abdallah al-Ahmar of the Arab Ba'ath Socialist Party of Syria said here today that his week-long visit to China has helped strengthen the cooperation and friendship between his party and the Chinese Communist Party.

He expressed the hope that the ties will grow stronger and more fruitful.

Al-Ahmar and his colleagues have concluded the visit and left Beijing today.

The Chinese and Syrian parties, which established relations in 1986, signed an agreement on cooperation during Al-Ahmar's visit.

In an interview with XINHUA, Al-Ahmar said that he held "fruitful and positive" discussions with Chinese party leaders and officials during the visit.

On his impressions about Beijing, Guangzhou and Shenzhen where he visited, he said that he saw with his own eyes "great changes" in these cities.

Discussing the Middle East issue, Al-Ahmar stressed that lasting and comprehensive peace can be achieved only when Israel returns the occupied territory to the Arabs and recognizes the Palestinian people's legitimate rights.

He once again expressed appreciation at China's consistent support to the cause of the Palestinian and Arab people.

### West Europe

#### Embassy in France Marks Tibet's Liberation Day

OW1904052791 Beijing XINHUA Domestic Service  
in Chinese 0512 GMT 17 Apr 91

[By reporter Guo Jinghua (6753 0079 5363)]

[Text] Paris, 16 Apr (XINHUA)—The cultural center of the Chinese embassy in France held a film show tonight to mark the 40th anniversary of Tibet's liberation.

About 100 French cultural personages viewed with interest a documentary on "Tibet In the Present and Past" at a film show.

In addition to enjoying views of Tibetan plateaus and understanding the daily life, nationality culture, beliefs, and religions of the Tibetan people, our French friends observed the earth-shaking changes which took place in Tibet under the CPC leadership in the past 40 years. The film won warm applause from its audience.

After viewing the film, a university lecturer told reporters that in the past he had read books describing Tibet, but today, he saw Tibet's lively and real form. He said that Tibet, of the past and present, left a deep impression on him.

After the film show, our French friends viewed an exhibition showing pictures of "today's Tibet."

#### Zhu Rongji's Visit to France Reported

##### Visits Oil Refinery

OW1704045491 Shanghai City Service in Mandarin  
2200 GMT 15 Apr 91

[From the "Morning News" program]

[Text] According to a special WEN HUI BAO dispatch from Paris, Zhu Rongji, PRC State Council Vice Premier and Shanghai Municipal Mayor, and his delegation departed by air at 0830 on 14 April, for the (Dure) Thermal Oil Refinery—a modern factory affiliated with the (Aifu) Petroleum Company situated on the west coast of France. The (Aifu) Petroleum Company signed a letter of intent with Shanghai in March regarding an investment of a \$2 billion thermal oil refinery in Jins-han, Shanghai.

(Mavi), the general manager of the French (Aifu) Company and the [words indistinct] who was accompanying Zhu Rongji on his visit, told reporters that the letter of intent signed with Shanghai in March clearly stated France's strong intention to invest.

After concluding his trip, Zhu Rongji said that although he is leaving Shanghai, he will still continue to pay attention to the project's progress. The PRC attaches great importance to the cooperation with the (Aifu) Petroleum Company. Success in the Sino-French project will benefit both countries.

#### Supports Metro Project

AU1804143791 Paris AFP in English 1348 GMT  
18 Apr 91

[Text] Lyons, April 18 (AFP)—Shanghai would be happy to see France carry out the second phase of the underground railway in China's largest city, its Mayor Zhu Rongji was quoted as saying here.

Mr. Zhu made the remark during a visit to the French city of Lyons Wednesday [17 April] to sign a cooperation agreement with the Rhone-Alpes regional authorities, an informed source said.

The first phase of the Shanghai metro was built by German companies.

Charles Millon, president of the Rhone-Alpes regional council, said he would be working to encourage the setting up of a French consortium to offer to carry out the second stage.

The two-year cooperation agreement signed Wednesday covers scientific, economic and cultural projects. The two cities have been linked by cooperation accords since 1986.

#### Welcomes Trade Ties

OW1804144591 Beijing XINHUA in English  
1411 GMT 18 Apr 91

[Text] Paris, April 18 (XINHUA)—Shanghai Mayor Zhu Rongji left Marseilles for the Spanish city of Barcelona this morning to continue his Western Europe trip.

Zhu's party arrived in Marseilles, France's second largest city, from Lyon yesterday evening to the welcome of Marseilles Mayor Vigoureux and local businessmen.

Marseilles has been a friend city of Shanghai, the largest city in China, since 1987.

Meeting Zhu at his office, Vigoureux expressed his city's desire to expand cooperation with Shanghai in the economic and trade fields. Zhu said Shanghai welcomes more investments by Marseilles businessmen.

During his five-day visit in France, Zhu met with French Prime Minister Michel Rocard, Foreign Minister Roland Dumas, other top officials and personages in bank, industrial and trade circles, when they explored possibilities of closer economic and technological cooperation between the two countries.



### Germany Signs Financial Aid Agreement 19 Apr

OW1904140791 Beijing XINHUA in English  
1354 GMT 19 Apr 91

[Text] Bonn, April 19 (XINHUA)—Germany and China signed today an agreement under which Germany will provide 220 million mark (130 million dollars) financial aid to China for fiscal 1989.

The accord should have been signed in 1989.

Charge d'Affaires of the Chinese Embassy in Germany Xin Futan and Secretary of State of the Germany Foreign Ministry Dieter Kastrup put their signatures to the document on behalf of their respective governments.

### Belgium Resumes Interest-Free Loans

HK1804021791 Beijing CHINA DAILY in English  
18 Apr 91 p 2

[By staff reporter]

[Text] Belgium yesterday resumed governmental lending to China with the signing of an agreement to supply 200 million Belgian francs (\$5.7 million) in interest-free loans during the 1990 fiscal year.

The agreement, which brings to an end the 170-year suspension by Belgium of loans to China, was signed at the eighth Sino-Belgian Mixed Committee Meeting which ended yesterday in Beijing.

With a grace period of 10 years, the 30-year loan will be used to pay 43 percent of the costs of contracts to import equipment for Belgian-aided projects, according to an official with the Ministry of Foreign Economic Relations and Trade.

The remaining 57 percent would be paid for by export credits supplied by Belgian banks, the official added.

Belgium's financial links with China started in 1980.

During the past 10 years, the official said, Belgium had provided 5.5 billion Belgian francs (\$160 million) in mixed loans.

Government interest-free loans accounted for 3 billion Belgian francs (\$85 million).

These loans had been used in construction projects in the energy, communications and light industries.

### Federation of Overseas Chinese Visits Britain

OW1904102291 Beijing XINHUA Domestic Service  
in Chinese 0822 GMT 18 Apr 91

[By XINHUA reporter Xue Yongxing (5641 3057 5281)]

[Text] London, 17 April (XINHUA)—Some 100 overseas Chinese and ethnic Chinese from all circles of Britain hosted a reception at Juelu Restaurant, China

Town, London, this evening to welcome the Zhuang Yanlin-led All-China Federation of Overseas Chinese delegation's visit to Britain.

This was the first ever delegation dispatched by the All-China Federation of Overseas Chinese to visit Britain. Zhuang Yanlin, chairman of the federation and head of the delegation, conveyed regards to the overseas Chinese and ethnic Chinese residing in Britain, on behalf of the All-China Federation of Overseas Chinese and the thousands of overseas Chinese's relatives in the motherland. He expressed his sincere appreciation of their love for China and their home towns. He briefed them on the recently held National People's Congress and Chinese People's Political Consultative Conference sessions, and introduced the motherland's development plans for the next five years and the next 10 years.

Chen Jun, leader of overseas Chinese in Britain and vice chairman of London China Town Community Center, warmly welcomed the delegation's visit. In his speech, he related the three wishes of overseas Chinese:

1. eagerly wish for the motherland to positively promote and adhere to the policy and principles of reform and opening to the outside world;
2. wish for the adherence to and the strengthening of the rule of law, and proper emphasis on the implementation of the rule of law;
3. wish for further strengthening of contacts with overseas Chinese worldwide.

Zhuang Yanlin told the reporter that the purpose of the delegation's visit is to enhance understanding, strengthen contacts, and further cultivate friendship with overseas Chinese in Britain. The delegation will hold discussion meetings with representatives from all circles to hear their views and suggestions on affairs concerning nationals living abroad during the course of the visit. The delegation will also visit other places with a concentration of overseas Chinese and ethnic Chinese such as Edinburgh, Glasgow, Manchester, and Liverpool.

The All-China Federation of Overseas Chinese Delegation arrived in Britain yesterday after concluding their visit to France, and will visit Germany after Britain.

### East Europe

#### Albanian Assembly To Investigate Shkodra Incident

OW1804200891 Beijing XINHUA in English  
1806 GMT 18 Apr 91

[Text] Tirana, April 18 (XINHUA)—The Albanian People's Assembly today announced the forming of an investigation team to decide on the responsibility for the controversial "Shkodra incident," which erupted early in the month and took three lives.

The 10-member team is composed of six from the ruling Party of Labor, three from the opposition Democratic Party and one from an Ethnic Greek Alliance.

Later in the day, the People's Assembly declared its adjournment of seven days, so as to allow deputies to be better prepared for a draft constitution.

On April 2, the Albanian leadership authorized its security troops to ban illegal rallies and protect public facilities, when a large mob of people in Shkodra were shouting "republic of Shkodra" and "violence for political power," according to the country's Minister of Home Affairs Gramoz Rucaj.

But the Democratic Party, the main opposition in the People's Assembly, views it as police brutality, calling it the "massacre in Shkodra."

#### **Bulgarian Police Stage Nationwide Demonstrations**

*OW1904065991 Beijing XINHUA in English  
0636 GMT 19 Apr 91*

[Text] Sofia, April 18 (XINHUA)—Police in Bulgaria staged a nationwide protest Thursday and Friday to commemorate the death of their colleagues killed by criminals and to appeal for social stability.

Thousands of policemen paraded the streets in the capital Thursday with police cars, anti-violence arms and flags inscribed with slogans of mourning for the dead.

Criminals have gone so rampant in the country that they even killed six policemen recently, reports said.

The protesting police also presented an appeal to the National Assembly, the president, the prime minister

and the procurator general, expressing worries about the growing violence against policemen and citizens.

They warned if their demands were not met, all the country's policemen will launch new protests.

#### **Bulgarian, Hungarian Leaders Sign Joint Statement**

*OW1904070191 Beijing XINHUA in English  
0621 GMT 19 Apr 91*

[Text] Budapest, April 18 (XINHUA)—Presidents of Bulgaria and Hungary stressed here today that the territorial integrity of European countries and the inviolability of their existing boundaries form an inseparable part of the world's peace order.

They stressed the point in a joint political statement signed today.

Bulgarian President Zhelyu Zhelev, who arrived here yesterday for a visit at the invitation of Hungarian President Arpad Goncz, met today with chairman of the Hungarian Council of Ministers Jozsef Antall and president of the Hungarian National Assembly Gyorgy Szabad.

In the statement the two leaders also underlined their resolve to work for more extensive and balanced cooperation between the two countries.

At a news conference held before ending his visit, Zhelev said that the Council for Mutual Economic Assistance (CMEA) has no longer any future to speak of and that its member states must first of all develop bilateral relations between themselves. "Let the specific kind of integration organizations, such as the Warsaw Treaty organization and CMEA, become things of the past," he said.

During the visit, cabinet ministers of the two countries also signed several other agreements concerning visa and trade affairs.

## Political & Social

### 'Letter' Affirms Concern for Human Rights

HK1804111591 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No 15, 15 Apr 91 p 2

["Letter from Beijing" by Bao Xin (7637 0207): "China Respects, Protects Human Rights"]

[Text] 7 April My Brother:

Your letter states that some Western media have made a big noise recently concerning the issue of China's human rights and have asked what attitude China adopts toward the issue of human rights and how China approaches this issue.

The issue of China's attitude toward human rights is originally very simple. It can be clearly explained in one sentence, which is that China respects and protects human rights. For a long time, however, some overseas media, having an ulterior motive, have presented a distorted picture, incorrectly relaying an erroneous message owing to misunderstanding and prejudice, or echoing the views of others because they do not understand the situation, so this issue seems to be intricate and requires more words of explanation and clarification.

Human rights have many aspects, and indeed there is a common ground among all countries. It is for this reason that different countries can discuss and formulate an international pact concerning human rights, by which all signatory states must abide. However, as the national conditions of all countries vary and their histories, geography, cultures, political systems, and value concepts differ, their understanding of human rights is inconsistent. No country can impose its values on others, nor should it use the human rights issue as an excuse to interfere in the internal affairs of other countries, or it will jeopardize the friendly relations among all countries and be disadvantageous to the causes of world peace and development.

As far as China is concerned, human rights are: First, the right of subsistence. China is a developing country with a population of over 1.1 billion. It is self-evident that many difficulties must be overcome in feeding its residents, who account for 22 percent of the world's total population, on land that makes up 7 percent of the world's total land area. To guarantee the Chinese people's right to subsistence, the Communist Party and the Chinese Government have exerted efforts all along, and have struggled hard and unceasingly. Since the 1980's, China has adhered to reform and opening up, with economic construction as the center, and vigorously brought about the development of social productive forces; the gross national product has doubled ahead of schedule; comprehensive national strength has been enhanced markedly; and the people basically have enough to eat and wear. This forms a sharp contrast with the situation before 1949, when China was in a dark age, was backward, and suffered from famine everywhere. Then its people were plunged in an abyss of misery, and

their minimum right to subsistence could not be guaranteed. The fact that the Chinese people have achieved the basic aspect of human rights—the right of subsistence—undoubtedly furnishes a vigorous answer to the version that China does not respect human rights.

Another important aspect of human rights is the right to development. It is obvious to all that China has scored achievements in economic and social development. According to China's three-step development strategy, the first step of the strategic target is to double the gross national product. Now that the people have solved the problems of food and clothing, China is concentrating its forces to further develop its economy and by the end of this century the gross national product will be redoubled and the people will be comparatively well-off. It then will take us several decades to continuously develop our productive forces so as to enable our whole country to reach the standard of a moderately developed country. To carry out this development blueprint and guarantee the exercise of the right to development, we need to uphold state stability and to combat and curb all sorts of turmoils, otherwise it will be difficult to develop the economic and cultural construction of our country and to guarantee the people's fundamental livelihood, let alone human rights.

The human rights issue also involves the issue of the relations between the human rights of a small number of people and the human rights of the great majority of people. Some people abroad criticize China for infringing upon the human rights of a certain person or group of people, but they have neglected the human rights of the great majority of Chinese people. After all, just as in other countries, a tiny number of people in China, do evil, like striking at government organs; beating, smashing, and looting; setting fire; killing; openly instigating subversion of the government; and so on. These people obviously sabotage state stability and infringe upon the interests of the majority of people. We apply sanctions against a tiny number of people according to the law precisely because we want to respect and protect the human rights of the great majority of people. If we allow the former to do as they please and go scot-free, this really violates the principle of human rights. May I ask: Do these people abroad not place themselves in a position opposed to the Chinese people if they defend a small number of people who have contravened state law and conversely criticize China for "encroaching upon human rights"?

In addition, human rights also are divided into two kinds: state rights and personal rights. This is contained in UN and international documents on human rights. The so-called state rights are the independence and sovereignty of a state, and refer to the supreme power inherent in a state to handle its domestic and international affairs without being interfered with and restricted by other countries. In this aspect, China both unswervingly persists in protecting its own state rights without being encroached upon, and unremittingly persists in opposing encroachment upon the state rights of other

countries. A phenomenon frequently seen is that certain figures in the West who consider themselves to be "human rights bodyguards" encroach upon the state rights of developing countries under the pretext of "protecting human rights," and pursue power politics and interfere in the internal affairs of other countries under the cover of human rights.

The Communist Party and the Chinese Government attach great importance to human rights. Internationally, China has attended the meetings of human rights organizations, signed the relevant resolutions, and also undertaken the relevant obligations. As early as before the founding of New China, the CPC put forward propositions on the protection of human rights. The "1 August declaration" promulgated by the CPC Central Committee in 1935 proposed "fighting for human rights and freedom!" After New China was founded, the "Common Program" adopted by the Chinese People's Political Consultative Conference [CPPCC], as well as the Constitution and relevant laws subsequently formulated all clearly and definitely provided for the protection of citizens' rights and interests. The Constitution of China of 1982 provides that citizens' rights consist of the right of egalitarianism, right of freedom, right of receiving a benefit, right of participating in government and political affairs, and right of protection. The facts demonstrate that China shows great concern for and protects the people's human rights. It is hoped that those who fail to understand or who misunderstand the Chinese situation will come to China to see if the people live and work in peace and contentment, if there is freedom and democracy, and if human rights are respected. "It is better to see once than hear a hundred times." It goes without saying that China has not reached the acme of perfection in the aspect of human rights, and that it especially had more problems in the period of the Great Cultural Revolution. We must say that we still have a lot of work to do in the future, but as always, China will oppose those who make use of the human rights issue to interfere in its internal affairs.

Yours faithfully,

Bao Xin

#### **Tibetan 'Political Criminals' Charge Denied**

OW1704121391 Beijing XINHUA in English  
1130 GMT 17 Apr 91

["No 'Political Criminals' in Tibet (Tibet's Today and Yesterday Background)"—XINHUA headline]

[Text] Beijing, April 17 (XINHUA)—Tibet only has one prison which is located in Lhasa.

During the several riots which took place since September 1987, a total of 1,025 people were taken away from the spots. After an investigation, as well as an education, 807 persons were given leniency and released within legal detention time; 121 persons were sentenced

according to the law; and 97 were sent to receive education through labor. No one was executed. Losang Dandzin, who brutally killed a Tibetan armed policeman during the turmoil in March 1988, was sentenced to death with a two-year reprieve.

There is no such thing as "political criminals" in China. The term is used by some foreigners for Chinese criminals who have been sentenced for their counter-revolutionary crimes.

According to China's criminal law, any actions aimed at overthrowing the people's democratic dictatorship and the socialist system, and endanger the security of the People's Republic of China are considered as counter-revolutionary. The guilty people not only harbor the motive of overthrowing the state power and China's social system, but also have actions which endanger the country's security. [sentence as received] It does not constitute counter-revolutionary crimes to have the thought but not the action.

Therefore, China does not have so-called political criminals or criminals of thought. It is absolutely justifiable for the Tibetan law enforcement departments to issue legal punishment to the handful of criminals who unscrupulously resorted to force in an attempt to overthrow the socialist system and sabotage national unity.

Tibetan law enforcement departments also ensure that prisoners are humanely treated.

#### **Government Employees Undergo Ideological Test**

HK1904024091 Hong Kong SOUTH CHINA  
MORNING POST in English 19 Apr 91 p 10

[By John Kohut in Beijing]

[Text] Employees at government ministries and organisations are undergoing one of the biggest ideological tests in years.

They must take home a lengthy examination in which they are required to explain why socialism is superior to capitalism and why Eastern Europe went capitalist.

Sources in the capital said the exam, with eight broad questions about socialism, was more demanding and comprehensive in scope than political essays which officials, party members and students had to write just after June 4, 1989.

Some units started writing the exam, entitled "Concerning Several Questions About Socialism" in late March, and by the end of May, all those who work in government organs—including ministries, various cultural and labour committees, and media organisations—will have taken the test, according to the sources.

Staff at these organisations are given 30 blank pages on which to answer the questions and are expected to write a total of 8,000 to 10,000 words.



So time-consuming is the project that many employees are neglecting other tasks during the day so they can meet the exam deadline, which varies according to the work unit.

The examination papers are marked by Communist Party committees at the work units, and are then slipped into each employee's *dangan*, the dossier which the authorities keep on each individual in the country. Those who fail have to rewrite the exam until they pass. Discussion of questions and answers with colleagues is permitted.

Questions asked in the exam include:

Why will capitalism die out and socialism replace capitalism?

What are the main methods in which "peaceful evolution" (what China calls the West's attempt to subvert socialism through ideological and other means) is carried out, and why did Eastern Europe succumb to peaceful evolution?

What are the basic characteristics of socialism and why is socialism superior?

Why must the leadership of the Communist Party be upheld in socialist countries?

As well as answering these and other questions, heads of departments and offices have to write a 1,800-words essay on what they learned from a manual entitled "Concerning Several Questions About Socialism", published by the propaganda department of the Communist Party.

Although they are asked to give their own opinions, those taking the exam know they must follow the Government's propaganda line and write what the authorities want to hear. "No one writes what they really think," said one source.

Two years ago, students and workers were forced to write long essays concerning their personal involvement in and understanding of the events that led to the June 4, 1989 Beijing massacre. In some cases, the responses helped determine whether individuals were punished for having taken part in anti-government protests.

The latest test appears to be aimed primarily at heightening "political awareness", rather than at rooting out the ideologically wayward.

#### **Internal Document on RENMIN RIBAO Purge**

HK1804120591 Hong Kong TANGTAL in Chinese  
No 1, 15 Apr 91 pp 37-38

[Article by Ho Po-shih (0149 0130 2457): "CPC To Take Strong Action Against Middle-Level Cadres: Document for Internal Circulation on RENMIN RIBAO Massive Purge"]

[Text] On 20 March, a "counterrevolutionary poem" was found in the RENMIN RIBAO OVERSEAS EDITION, causing a great shock to the paper's high-ranking cadres and high-ranking CPC officials. By skillfully joining Chinese characters, the author wrote the words: "Li Peng must be removed from power to assuage popular indignation; Wait the Divine Land for spring is everywhere." Gao Di, the paper's party committee secretary, immediately ordered that the matter be investigated, and of course editors responsible for the edition were the first to be investigated. However, the party secretary immediately admitted he "was not qualified" and "negligent accidentally." This has prevented the CPC from taking immediate strong action against him. Nonetheless, what will his destiny be? He dares not expect anything good concerning it.

#### **Three Deputy Editors-in-Chief Are Dismissed**

According to informed sources, at the time pro-democracy activists were being tried, a new purge was carried out within RENMIN RIBAO. Former RENMIN RIBAO deputy chief editor Lu Chaoqi was removed from all posts inside and outside the party for his "bad attitude."

Another deputy chief editor, Fan Rongkang, also was removed from his post. He, too, was given a warning by the party as punishment. Fan Rongkang is a conscientious, open-minded person and is receptive to opinions from all sides without exceeding the "limits." When former RENMIN RIBAO chief editor Tan Wenrui was about to retire (Tang was removed from his post after the "4 June" incident), Fan Rongkang was the first choice to succeed him. With his policy of "appointing good persons," a number of capable personnel had the chance to use their talents. Wu Guoguang, the former "general" of the paper's commentary department, was one of the outstanding examples. (Wu was one of the young members of Zhao Ziyang's think tank. He is now a visiting scholar in the United States.) Fan Rongkang was purged in connection with the charge of "using personnel without a good principle."

#### **Inability To Dissuade Staff From Joining the March Becomes Proof of the Crime**

In the meantime, former RENMIN RIBAO deputy editor-in-chief Yu Huanchun has also been purged and removed from his post. He has now been transferred to Sichuan for an assignment. He is an innocent victim for the transfer. Among the paper's high-ranking cadres, he was neither a reformist nor a conservative. There is no record that he purged another person. He was only an honest cadre who carried out his seniors' instructions. The main reason for his transfer to Sichuan was that some RENMIN RIBAO reporters took to the streets during the democratic movement in 1989. On 4 May 1989, a number of young reporters from Beijing's press circles gathered in front of the XINHUA Agency to prepare for a march and fluttered a banner with the words "News has to tell the truth." At that time, Yu

Huanchun was instructed to dissuade those reporters from participating in the march. But he failed in his attempt under the conditions of that time. That became proof of his "inability." Since then, he has been treated coldly in his place of work.

#### **Active Backbone Cadres Are Being Purged One After Another**

In addition to the three deputy editors-in-chief mentioned above, a number of middle-level backbone cadres are being purged as well. It is learned that Liu Yunzhou, the former first vice director of the editor-in-chief's office, has been transferred to Heilongjiang. Luo Rongxing, the former director of the department of science and education, has been transferred to Hebei. Gao Ning, the former editor of the literary and art department, has been transferred to the Ministry of Geology and Mineral Resources. Some of these people have already received formal notices of transfer. According to RENMIN RIBAO internal analyses, 20 reporters and editors who were relatively active during the democratic movement in 1989 are being purged one after another. They have been placed in unimportant positions since the "4 June" incident.

The main cause of the new purge within RENMIN RIBAO mentioned above is that the CPC has recently formulated a new policy of "strengthening the management of cadres and ensuring smooth personnel transfer and job assignment." They demote those who are "disobedient" (including those released pro-democracy activists) or assign no jobs to them, thus "punishing" them through their occupations and financially. Xu Simin, CPPCC member from Hong Kong and Macao, said recently that as far as he knows several hundred released pro-democracy activists are still jobless, and that he will raise this question at the CPPCC meeting. The author has recently obtained an internal document known as the "Regulations Governing Cadres' Transfer and Job Assignment," recently published by the state Ministry of Personnel. It also indicates that the CPC uses job arrangements to cope with dissidents.

#### **Nine New Regulations Governing Transfers**

The document contains nine conditions for cadres' transfer. Only when a cadre meets one of the conditions can state organs, institutions, or enterprises transfer him. The nine conditions are: Personnel adjustments can be made for 1) Improving the structure of the contingent of cadres; 2) Meeting the needs of state key development projects, major research items, and vigorously strengthening the needs of departments; 3) Strengthening grass-roots units and aiding remote and poor areas or professions and occupations that require special expertise; 4) Filling the vacancies of state organs, institutions, and enterprises; 5) Relocating those surplus personnel who have been dismissed owing to their units' closure, merger, or reduction of personnel; Readjusting personnel whose expertise and special skills do not suit their current positions; 7) [no item number 6 as published]

Solving the problem of husband-wife separation due to their work and other special problems; 8) Staff relocation that suits the policy and regulations; 9) Meeting other needs of state organs, institutions, and enterprises.

After reading the nine conditions mentioned above, some RENMIN RIBAO personnel thought that some of the content is good and that if they are conscientiously implemented everyone will be happy (for example, if the question of husband-wife separation can be solved). But some abstract content, such as the first, third, fourth, eighth, and ninth conditions, offers opportunities to "purge people."

#### **Those Who Object to Being Transferred Will Be Punished**

The document also said: "Cadres are encouraged and supported to work in grass-roots units, occupations and professions that require special expertise, and remote and poor areas." "Cadres at all levels should willingly obey the transfer and arrangement of party organizations. Cadres who have received notices of transfer must comply with transfer formalities within the fixed time. Those who object to being transferred without a justifiable reason will be placed under criticism and education. And if criticism and education fail, necessary administrative discipline will be taken against them. Those who delay reporting for duty without a good reason after their transfer will be regarded as absentees and will be handled in accordance with relevant regulations."

Judging by the latest purge within RENMIN RIBAO and by the internal document, we see three things:

#### **Those Who Have the Power Are in Control of the Overall Situation**

First, those having the power within the CPC have never stopped purging dissidents nor have they ended the purge after the trials of pro-democracy activists were finished. Those who are being purged at the moment are mainly middle-level dissidents and "incapable" cadres. Judging by the situation, those who have the real power are really in control of the overall situation, and the purge of mid-level cadres under the "stable situation" will be expedited secretly.

#### **Lengthen the Time To Avoid a Shock**

Second, the CPC has also improved its skill of "purging people." First of all, they do this in different periods and in different groups. In little less than two years, they have handled "serious cases" and "major cases" and purged major figures. However, for mid-level cadres, they have dealt blows to them by "letting them alone" and pretending to care nothing about them, or observing them quietly. Now the trials of "serious cases" and "major cases" have been completed and they are ready to cope with mid-level cadres. They do this because they see this advantage: They can avoid the fierce reproach from the outside and use time to obtain the effect of "purging the house quietly." For the purging of the XINHUA Hong

Kong Branch and several China-funded firms, they have also used the same method. In this way, they have avoided a great shock.

Moreover, the CPC makes every effort to cover up its political pressure on the pretext of doing work. Judging from the Ministry of Personnel document, we can see that the method the CPC used this time is similar to the one used during the Cultural Revolution by which they "sent dissidents to mountainous and rural areas, to factories and selected units," and to remote areas for manual labor. The two methods use such excuses as "submissively meet the needs of the state" and the "needs required by jobs," but the latter has a color of the "concept of the overall situation."

Third, it must be admitted that some good content of the personnel ministry's document will definitely be implemented. The fact that over the past 10 years many cadres have awakened is a sign. However, for those "troublesome figures" whose seniors have noted them, they can hardly enjoy these preferential measures.

#### RENMIN RIBAO on Ideological Education

HK1904074391 Beijing RENMIN RIBAO in Chinese  
14 Apr 91 pp 1, 4

[Report by Xiang Wen (3276 2429): "One Hundred Thousand Cadres in Hunan Go to Rural Areas To Conduct Socialist Ideological Education"]

[Text] Editor's note: The experience in Hunan Province of carrying out socialist ideological education in rural areas during the past year and more tells us that to carry out a widespread, thoroughgoing, and systematic socialist ideological education in rural areas is an important measure and the fundamental building of rural work in our efforts to push forward the building of socialist spiritual civilization in rural areas, expedite various rural reforms and rural economic development, strengthen the building of rural grass-roots party organizations, and build closer relations between the party and masses of peasants.

Currently, socialist ideological education is being carried out in varying degrees in rural areas throughout China. We should summarize new experiences on a constant basis, try to discover new approaches, establish sound rules and regulations, and strengthen the building of the party contingent to regularize and systemize the socialist ideological education in rural areas. [end editor's note]

Initial results have been achieved in Hunan Province's efforts to carry out widespread socialist ideological education in rural areas throughout the province. According to the general opinions of cadres and masses, through the socialist ideological education, the once weakened ideological and political work in rural areas has been strengthened, the slow development pace of the collective economy quickened, the weak fighting capacity of grass-roots party organizations enhanced, the chaotic

state of public security improved, and relations between cadres and masses made more harmonious.

In the winter of 1989 Hunan initiated a three-year plan to carry out systematic socialist ideological education by stages and in groups among its 48,000 administrative villages and then convert back to regular education. Leading groups in socialist ideological education, headed by party secretaries, have been set up in party committees at all levels, including the provincial and county levels. A total of 100,000 cadres familiar with rural work and qualified in ideology and policy have been selected, and, after receiving centralized training, put in various work teams to go to villages and help carry out socialist ideological education there. In carrying out this assignment, they persistently uphold the principle of depending mainly on ideological and positive education and the self-education of the masses, rely firmly on local party organizations in carrying out their work, and refrain from monopolizing everything without consulting others. As for specific work, they have made efforts to base their work at the village level, center all activities around rural economic work, persist in combining the unreal with the actual situation, key points with all areas, and the general with key education, and to stress education among grass-roots cadres, party and [Communist Youth] League members. They have scored remarkable results.

—Ideological and political work in rural areas has been strengthened and cadres and masses have further stiffened their faith in socialism. During the education various localities have generally resumed and established township and town party schools, broadcasting stations, film projection teams, cultural centers, and village study rooms and have built up contingents of political workers with party members and grass-roots cadres as the backbone. As a result, rural ideological and political activities can be carried out by education contingents on ideological fronts in line with relevant systems. Systematic education has also helped straighten up some confused ideas among some of the masses, such as "The responsibility system means individual farming with shared-out land" and "We have no idea what doctrine is being advocated nowadays," and has made a clear distinction between some rights and wrongs. Evident changes have been seen in some localities where people once "dared not afforest mountains, did not want to fertilize fields, and private enterprises were all closed down." The vast numbers of cadres and masses have enhanced their socialist consciousness and strengthened their sense of the state and collectives. Last year saw the fastest and best fulfillment of provincial ordered purchase tasks. Counties such as Xupu, Anhua, and Xinhua were hit by catastrophic mountain torrents last year, suffering heavy losses in early season rice production. Nevertheless, after reaping a bumper late rice harvest, peasants enthusiastically sold ordered grain to the state, saying: "No matter what losses we may suffer, we will not fail the state!"



—Rural reform has been deepened and various rural undertakings pushed forward. When carrying out socialist ideological education, in line with the party's existing policies, cadres carry out education on the "seven unchangeable's," including the fact that the output-related system of contracted responsibility is unchangeable; and, to put people's minds at ease, they stress the perfection of the output-related system of contracted responsibility and the development of the collective economy at the village level. Last year, thanks to the socialist enthusiasm of vast numbers of cadres and masses aroused by the socialist ideological education, Hunan achieved bumper grain and cotton harvests despite being waterlogged in summer and stricken with drought in winter. A total of 390 million yuan was collected throughout the province and 28,000 large and small water conservancy projects completed. Family planning work, which is considered the "No. 1 difficulty on earth," progressed more smoothly than in previous years. Various cultural and recreation facilities were generally resumed and established and mass propaganda and cultural activities were livened up again.

—The building of village-level party organizations with party branches as the core has been strengthened. While carrying out socialist ideological education they focus on rectification of incorrect ideologies, disciplines, and work styles among village party branches; extensively organize party members to receive rotation trainings and democratic appraisals; commend advanced individuals and deeds; examine and act on cases of discipline violations; punish unqualified party members; recruit new party members; and readjust and strengthen the leading bodies of party branches. Of the 4,900 or more backward village party branches throughout Hunan, 60 percent have shown evident improvement.

—Public security and social order have taken a turn for the better. All social sectors have made concerted efforts to carry out the "crackdown campaign" and the "struggle to eliminate pornography," taken strong measures against a number of criminals, abolished some underworld organizations, and checked some unhealthy tendencies generally existing in rural areas during recent years, such as gambling and theft. Last year, the number of criminal and security cases in Hunan rural areas dropped by 12.7 percent compared to the previous year. Activities of emulating Lei Feng fostering new customs, and building up civilized villages are being carried out in rural areas in a thoroughgoing way, and healthy practices such as preparing to take up cudgels for a just cause and finding it a pleasure to help others, have become the order of the day.

—Education has helped change the work style of cadres, train and temper them, and build closer party-mass and cadre-mass relations. The move to send 100,000 cadres to villages to heed opinions, befriend and handle matters for hundreds of rural households and take an active part in local production and labor has changed the showy work style whereby "cadres from the county authorities travel by car while cadres from

township authorities go by bike." Work teams have also done their utmost to do practical work and good deeds for grass-roots units and masses and many "one-heart wells," "heart-linking bridges," and "irrigation canals and roads of socialist ideological education" have appeared in rural areas. The change in the work style of cadres has also brought about great improvement on cadre-mass relations. In some localities, when work teams first set foot in the village, villagers wrote on doors: "You mind your socialist ideological education while we mind the rice planting. If you want to eat and sleep, please go to hotels." However, after a period of time when the masses saw that the work teams sincerely and wholeheartedly did practical work for them and could show them visible benefits, villagers began to vie with one another to invite work team members to live in their houses. When the time came for work teams to leave, villagers were reluctant to part with the members, pressing them to stay or lining both sides of the street to see them off. Some work team members were deeply moved: "A profound friendship has been forged during a year of socialist ideological education and we are all tearful when parting from each other."

#### Qiao Shi Addresses Discipline Inspection Meeting

OW1904134691 Beijing XINHUA Domestic Service  
in Chinese 0916 GMT 19 Apr 91

[By reporters Cheng Deyuan (4453 1795 3293) and He Ping (0149 1627)]

[Text] Jinan, 19 Apr (XINHUA)—Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee and secretary of the Central Discipline Inspection Commission, pointed out today that the most fundamental and decisively significant condition for succeeding in carrying out work in the 1990's and achieving the second-step strategic objective is to persist in the party's basic line. He called on the discipline inspection organs and the vast numbers of cadres responsible for discipline inspection at all levels to have a profound understanding of the arduousness and urgency of the tasks facing us, step up efforts to improve the party's work style and party discipline enforcement with the party's basic line and the basic tasks in the 1990's closely in mind, enhance party spirit as well as the sense of responsibility to observe discipline, and thoroughly fulfill the tasks stipulated by the party constitution and give full play to the functions and role played by discipline inspection organs in the course of the four modernizations and implementation of the reform and open policy.

Addressing a national work meeting on discipline inspection which ended today, Qiao Shi said: Being strict with party members and strictly enforcing party discipline is strongly demanded by the whole party and by all the Chinese people in general. The Central Committee of the party, with Comrade Jiang Zemin as the nucleus, adopted a series of important measures in the endeavor



to fight corruption and step up efforts to run a clean government over the past few years and, as a result, succeeded in bringing about a good situation for the whole party by paying close attention to improving party work style. Discipline inspection organs did a large amount of work with respect to strictly enforcing party discipline and investigating and dealing with discipline-violation cases under the leadership of the Central Committee of the party, party committees at all levels, and with help from the masses of people. It is necessary for us to be aware of the marked successes achieved in this respect, consolidate and develop the successful results achieved so far, and continue to make unremitting efforts in this endeavor. However, at the same time, we must be aware that there are still quite a lot of problems existing in the party's work style and party discipline and that our achievements so far still fall far short of the requirements raised by the masses of the people and by the ruling party in its effort to build itself. We still face very heavy and arduous tasks in this respect.

He pointed out: It is necessary to redouble our efforts to educate party members and integrate the actual conditions at present with our endeavor to improve the party's style and run a clean government; strictly enforce party discipline and improve the party's work style with the party's basic line of "emphasizing the one central task of economic development and the two basic points of adherence to the four cardinal principles and implementation of reform and the open policy" closely in mind and also with the central task requiring us to concentrate our efforts on promoting economic development; and use party discipline and the laws of the state as criteria to be strict in enforcing discipline and resolute in investigating and dealing with discipline-violating and law-breaking cases.

Qiao Shi pointed out: At present, the masses of the people complain a lot about the problems existing in our party's work style; and some of their complaints are considerably strong. They are a pressure and serve as a driving force for us to step up the effort to improve the party's work style and party discipline enforcement. The fact that the masses of the people are very concerned about the situation of our party's work style and discipline enforcement and cherish ardent expectations is a favorable condition. So long as we enforce discipline with the power of a thunderbolt and the speed of lightning and in a down-to-earth manner and, in particular, so long as we investigate, verify, and sternly deal with the major cases about which the masses of the people most strongly complain, one by one, we shall be able to win their confidence and support, build the confidence of the masses of the people as well as the whole party in our success to improve the party's work style, and continuously advance the prestige of the party.

In his speech Comrade Qiao Shi pointed out: Supervision is one of the four functions and duties of discipline inspection organs and, as such, it needs very much to be strengthened. It is necessary for the cadres of our party to constantly accept supervision by the masses of the

people and by comrade party members and always welcome, support, and adopt a correct attitude towards supervision in order that it may be conducive to improving and strengthening the leadership of the party.

In his speech he called on the party committees at all levels to practically and conscientiously do a good job in improving the party's work style, attach a high degree of importance to the work of discipline inspection, raise strict requirements, strengthen leadership, and help find solutions for the difficulties encountered in work. This will further promote the work of discipline inspection.

Today's meeting was presided over by Chen Zuolin, deputy secretary of the Central Discipline Inspection Commission. Li Zhengting and Wang Deying, two other deputy secretaries, attended the meeting.

### **Zou Jiahua on Quality, Variety, Efficiency**

*OW1804222891 Beijing XINHUA Domestic Service in Chinese 1153 GMT 16 Apr 91*

[By RENMIN RIBAO reporter Wang Yantian (3769 1750 3944) and XINHUA reporter Wu Shishen (0702 1102 3234) ]

[Text] Beijing, 16 Apr (XINHUA)—At the first telephone conference of the nationwide "Year of Quality, Variety, and Efficiency" campaign today, Vice Premier Zou Jiahua pointed out: "The next focal point of the work for the 'Year of Quality, Variety, and Efficiency' campaign is to vigorously carry on the campaign and pursue practical results. We should strive to have everyone in all walks of life attach importance to improving quality, variety, and efficiency, and to make it become a common practice in society, to upgrade our economic quality earnestly.

Zou Jiahua said: Since the State Council decided to launch the "Year of Quality, Variety, and Efficiency" campaign, the large number of cadres and workers at industrial and communications front lines and in business, construction, and other trades have responded to the decision enthusiastically; and governments and departments in various localities have made it an important item on their work agendas and taken this work as the central link of the entire economic work for this year. Based on their own actual conditions, all localities and departments aimed at the main struggling direction to set their respective concrete objectives and had enterprises at various levels carry them out. Many localities also drew up policies and measures to lighten the enterprises' burden, increase their vitality, and improve their external environment. With the inauguration of the "Year of Quality, Variety, and Efficiency" campaign, the industrial production continued to grow steadily during the first quarter of the year, the growth of state-owned industries was stepped up, and large and medium-sized enterprises began to play their leading and key roles in increasing production. However, problems such as overstocked manufactured products and declining efficiency had not been settled once and for all.

He said: In order to stop the efficiency from declining and promote a sustained, steady, and coordinated development of industrial production, we must further deepen the "Year of Quality, Variety, and Efficiency" campaign, and achieve it successfully in a down-to-earth manner. At present, we should especially pay attention to having enterprises carry out all policies and measures set at the national work conference of enterprises. Various departments under the State Council should do their best in coordinating the work. All localities and departments shall not wait for the results. They should create conditions by every possible means to step up the implementation of these policies, conscientiously increase vitality of enterprises, particularly of large and medium-sized key enterprises, and raise the enterprises' enthusiasm and initiative in launching the "Year of Quality, Variety, and Efficiency" campaign.

As for aspects of work which enterprises should emphasize currently in order to achieve the year of efficiency successfully, Zou Jiahua proposed: 1. We should do a good job in conducting necessary reforms within enterprises, particularly perfecting and improving the economic responsibility system within enterprises and the factory director responsibility system. 2. We should strengthen the enterprise management, especially its basic work, as well as firmly get rid of the phenomena of imperfect rules and regulations and lax labor disciplines existing in part of enterprises. 3. We should change our managing thinking and consolidate our marketing concept. 4. We should vigorously promote technological progress, readjust product mix to cater to the market demand, and vigorously develop new products and new designs. 5. We should consolidate and adopt the concept of quality as being the most important, vigorously promote and improve overall quality control, and set up a system to ensure quality. 6. We should reduce energy consumption and make great efforts to make up deficits and increase surpluses. 7. We should fully arouse workers and the masses, pooling their wisdom and strength, to make contributions to the "Year of Quality, Variety, and Efficiency" campaign.

Zou Jiahua emphasized: The "Year of Quality, Variety, and Efficiency" campaign shall avoid becoming a form that is perfunctorily done with much noise and excitement. It should be conducted practically and aimed at achieving success. Initiating the campaign this year does not mean that it will be carried on during this year only. Improving quality, variety, and efficiency is a long-term and strategic task in economic work. We should steadfastly continue this task and make it become a tradition of the economic work. The large number of cadres and workers should foster the mentality for a protracted campaign. As a starting point, there should be a breakthrough in the progress of the campaign during this year. What is more, enterprises should not produce new overstocked manufactured products; the number of enterprises in the red and the amount of their losses should not be further increased; and the profits achieved by enterprises should not continue to fall.

Those who also spoke at today's telephone conference were Shanghai Vice Mayor Gu Chuanxun, Vice Governor of Guangdong Province Zhang Gaoli, Vice Minister of Metallurgical Industry Yin Ruiyu, and Minister of Machine-Building and Electronics Industry He Guangyuan. State Councillors Wang Bingqian and Li Guixian attended the conference.

#### Experts, Academics Attend Socialist Culture Forum

HK1904065891 Beijing RENMIN RIBAO in Chinese  
14 Apr 90 p 4

[Report: "Some Experts and Academics in Beijing Attend Forum on Developing Socialist Culture With Chinese Characteristics"]

[Text] On 19 April, this paper's literature and art department, the CPC Central Committee Propaganda Department's Literature and Art Bureau, the Culture Ministry's Department of Policies and Statutes, the China Art Research Institute, QIUSHI magazine's Culture and Education Department, GUANGMING RIBAO's Literature and Art Department, and ZHONGGUO WENHUA BAO, jointly held a forum. They invited relevant experts and academics in the capital to explore the issue of developing socialist culture with Chinese characteristics.

Practice calls for the building and development of theory. The participants felt that it is of important theoretical and profound practical significance to study the development of socialist culture with Chinese characteristics.

Some comrades pointed out in their speeches: To achieve the second-step strategic objective of China's modernization, we should, while pushing ahead with the reform and opening up, effectively resist cultural infiltration and peaceful evolution by the Western bourgeois forces and develop socialist politics, economy, and culture with Chinese characteristics. An urgent task before us is to take Marxism as a guide, persist in proceeding from reality, clarify the chaos in cultural theory, and build up a systematic socialist cultural theory that can give strong guidance to current and future practice.

The theoretical symposium, which takes "building socialist culture with Chinese characteristics" as a central topic, will be held at irregular intervals and important issues will be selected for discussion at each meeting. At the first symposium, Xing Benshi, Zhang Dainian, Zheng Hangsheng, Cai Yi, Li Xifan, Peng Ming, Lu Guishan, Hou Minze, Zhang Jiong, Zheng Bonong, Chen Shen, Dong Xuewen, Cheng Daixi, Ai Fei, and Li Zhun freely aired their own views on the issue of two cultural concepts.

He Jingzhi and other leaders concerned attended the meeting to listen to speeches.

**Meeting on Rural Water, Power Opens**

OW1904014491 Beijing XINHUA Domestic Service  
in Chinese 0810 GMT 15 Apr 91

[By RENMIN RIBAO reporter Gao Baosheng (7559 0202 3932) and XINHUA Reporter Wang Man (3769 3341)]

[Text] Beijing, 15 April (XINHUA)—The national work meeting on rural water and power supply, and initial electrification of rural areas in the second group of counties, opened in Beijing today. At the meeting, 109 pilot counties meeting the electrification standard and 461 advanced workers of rural electrification work were commended.

According to sources, since 1985, and with the approval of the State Council, the Ministry of Water Resources has launched pilot electrification projects in the counties of 20 provinces. These counties are spread across old revolutionary bases and the minority, frontier, and impoverished regions. Before the pilot projects, most of these counties lacked electricity, and their economies grew slowly. In the last five years, the efforts of the staff and workers of the water resources departments and the tens of millions of people of the mountainous regions, have enabled these localities to open up their rich water resources. At present, the annual per capita electricity consumption of the 109 pilot counties has exceeded 200 kilowatt-hours and 96 percent of the peasant households have electricity. This provides the drive for economic development in the mountainous regions and sharply changes the face of poverty in these localities.

At the meeting, which is co-sponsored by the State Planning Commission and the Ministry of Water Resources, Liu Jiang, vice minister of the State Planning Commission, read out the "State Council Circular approving and relaying the Ministry of Water Resources' request for instructions on the initial electrification of rural areas in the second group of counties". The "circular" determines that during the Eighth Five-Year Plan, efforts will be made to help another 200 counties meet the initial electrification standard. These 200 counties have a population of 70 million and are scattered in 24 provinces, of which 24 are in Sichuan, 22 in Fujian, 20 in Hunan, and 20 in Guangxi Zhuang Autonomous Region; 153 of them are minority counties, impoverished counties receiving state and provincial assistance, and counties in old revolutionary bases, making up 76.5 percent of the total. Generators producing an additional 2.2 million kilowatts will be needed for these counties to attain the initial electrification standard. The total investment will cost over 9 billion yuan, and the program will take five years to complete.

Gan Ziyu, vice minister of the State Planning Commission, and Yang Zhenhuai, minister of Water Resources, attended the conference.

**Experimental Boundary Surveys Evaluated**

OW1904020391 Beijing XINHUA Domestic Service  
in Chinese 0912 GMT 13 Apr 91

[By reporter Dou Guangsheng (4535 1639 3932)]

[Text] Beijing, 14 Apr (XINHUA)—The Joint Conference for the Relevant Ministries under the State Council on Experimental Boundary Surveys held its second plenary session in Beijing today.

The session heard reports from the Civil Affairs Ministry on nationwide experimental boundary surveys, reviewed implementation of "The State Council's Instructions on Experimental Boundary Surveys," summed up works for the past year or so, studied existing problems, and mapped out measures for their solution.

Responsible persons from the Civil Affairs Ministry, the State Nationalities Affairs Commission, the Public Security Ministry, the Forestry Ministry, the Agriculture Ministry, the Water Resources Ministry, the Geology and Mineral Resources Ministry, the State Land Administration Bureau, the State Bureau of Surveying and Cartography, and the State Oceanography Bureau attended the meeting, which was presided over by the Civil Affairs Minister Cui Naifu.

The meeting noted that the unclear administrative demarcation of boundaries had been in existence for the past few thousand years, and has not been rectified since Liberation, resulting in widespread, unclear boundaries. Following more extensive utilization of resources, cases of boundary disputes between provinces (autonomous regions) that have affected their normal economic activities and social stability have been repeatedly reported in recent years. The urgency of the matter has necessitated the launching of boundary survey exercises.

Since 1989, with the concurrence of the State Council, more than a dozen relevant ministries under the State Council, including the Civil Affairs Ministry, have jointly launched an experimental boundary survey project, formulated policies on boundary surveys, and adopted a work plan to complete the experiments in three years.

Summing up works in the past year or so in today's meeting, Cui Naifu said: For the past year or so, under the leadership of the people's government of the relevant provinces and autonomous regions, work on the experimental boundary surveys has been carried out relatively well. As of the end of last year, a length of 3,500 km has been ascertained in provincial boundaries, representing 70 percent of the total experimental boundaries, and more than 20,000 km of county boundaries have been surveyed. A favorable trend has been set in the work of nationwide boundary surveying. Localities with their boundaries ascertained are now not only enjoying social stability and economic development, but have also won the widespread support of the grass-root organizations and the masses. Practice has proved that a fundamental



screening of boundaries among administrative demarcations throughout the nation can be accomplished.

The meeting emphatically pointed out that boundary surveying is an important job aimed at strengthening national administration management and safeguarding long-term social stability. It is closely related to the realization of the proposed objectives of the Ten-Year Program and the Eighth Five-Year Plan for National Economic and Social Development, as adopted by the 7th Plenary Session of the 13th CPC Central Committee. This year marks the final year of the experimental boundary surveys project, with 1,500 km of experimental provincial boundary lines yet to be ascertained or finalized. The meeting demanded relevant governments at various levels view the situation as a whole, further strengthen coordination, jointly complete boundary surveys, and make contributions to the nation's stability and economic development in the spirit of preserving unity among nationalities, and promoting long-term national stability.

#### **Mao, Deng Endorse Novel *Li Zicheng***

HK1904062091 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0908 GMT 18 Apr 91

[Report: "Mao Zedong and Deng Xiaoping Supported and Encouraged Yao Xueyin in Writing *Li Zicheng*"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 18 Apr (ZHONGGUO XINWEN SHE)—A recently published book, entitled *Biography of Yao Xueyin*, disclosed that Mao Zedong read the first section of Volume One of Yao's work *Li Zicheng* [a peasant uprising leader in the Ming Dynasty], and expressed his support twice for Yao's creation, while Deng Xiaoping, who also read the first two volumes of the book, encouraged Yao in his writing and helped him resolve some difficulties.

When the first volume of *Li Zicheng* came out in the autumn of 1963, Yao Xueyin sent a copy to Mao Zedong by post. Mao Zedong read and had an impression of the book. During the initial period of the Cultural Revolution in the middle of August 1966, while presiding over an enlarged session of the CPC Political Bureau Standing Committee, Mao Zedong summoned Wang Renzhong, the first secretary of the Hubei Provincial Party Committee, who was a nonvoting delegate: "I have read Part One, Volume One of Yao Xueyin's work *Li Zicheng*, a pretty good novel. Please tell the Wuhan City Commission in Charge of the Great Cultural Revolution to protect Yao Xueyin and let him continue his writing." Thanks to Mao Zedong's instruction, Yao's house and property was not searched and confiscated, and Yao Xueyin himself was also protected.

In October 1975, when the Cultural Revolution entered its later stage, Yao's writing was disrupted from many sides. Yao wrote a letter to Mao Zedong, reporting his writing plan and asking for support. Hu Qiaomu passed the letter to Deng Xiaoping, who submitted it to Mao

Zedong. After reading this lengthy letter of over 1,600 characters, Mao Zedong wrote an instruction on it: "Agree to his writing plan. Please provide him with necessary conditions and let him complete his book." After that, to extricate himself from disruptions, Yao Xueyin came to Beijing from Wuhan, and concentrated all his attention on his creation.

Deng Xiaoping became CPC Central Committee vice chairman on 2 November 1977, more than a year after the smashing of the "Gang of Four." Zhang Pinghua, then-head of the CPC Central Committee Propaganda Department, called on Yao Xueyin and told him: "Vice Chairman Deng Xiaoping said you have done a good job with your book. Yesterday afternoon, he personally urged me to come and see if you have any difficulties or problems." Zhang added: "The vice chairman also said the CPC will help you solve all your problems, for you have made significant contributions to the party and the people." After Zhang's visit, Yao Xueyin wrote a letter to Deng Xiaoping, expressing his willingness to try his utmost in writing the novel without mentioning his difficulties or problems.

Not long after, persuaded by many people, Yao wrote another letter to Deng Xiaoping, requesting help on the issues of transferring the permanent residential registrations of his family and his assistant to Beijing and of allotting him a flat in Beijing. Deng Xiaoping approved Yao's requests and wrote an instruction on Yao's letter. Before long, all problems were resolved: The permanent residential registrations were transferred from Wuhan to Beijing, and within a short time, Yao moved into a newly built six-room apartment on Fuxinmenwai Avenue.

The first three volumes and the fifth volume of it all *Li Zicheng* have been completed, and Yao Xueyin is currently working on the fourth volume.

*Biography of Yao Xueyin*, written by Yang Jianye (2799 1696 2814), has been published by Beiyue Literature Publishing House.

## **Science & Technology**

### **\*Variable-Thrust, Multiple-Restart Rocket Engine**

91P60147 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 30 Mar 91 p 1

[Unattributed article: "Variable-Thrust Liquid Rocket Engine Developed"]

[Text] Changsha, 29 Mar. (XINHUA)—The multiple-restart, bipropellant, twin-regulated variable-thrust liquid rocket engine recently developed by the University of Science and Technology for National Defense will provide a critical new technical means for the development of China's space technology. This engine will have wide applications in control of space launch vehicles and other spacecraft, and can be used to create new dynamic apparatus for effecting

attitude control, change of orbit, space docking, interception, planetary observation, soft landing of manned spacecraft, and other functions. Experts felt that the new rocket engine's principal technical performance indicators meet 1980's international standards.

#### **High-Speed Compound Computer Network Developed**

*OW1704125591 Beijing XINHUA Domestic Service  
in Chinese 0705 GMT 16 Apr 91*

[By reporter Hu Nianqiu (5170 1628 4428)]

[Text] Beijing, 16 Apr (XINHUA)—A ribbon-cutting ceremony was held today to mark the completion of the project for a high-speed compound computer network of the Chinese Research Institute of Atomic Energy Sciences.

The project was installed by the Chinese Research Institute of Atomic Energy Sciences to improve the environment of scientific research in support of production and to meet the needs of professional management and hi-tech development items such as fast neutron reactors, nuclear physics, nuclear power plant designing, nuclear power plant safety analysis, as well as accelerators. The network is composed of annular optical cable nets and six ether nets in accordance with the standard adopted by the International TCP/IP Agreement. It has a large overlay zone, performs the function of linking up with other types of computers well, is capable of high-speed transparent communication, and has a fairly large expanded margin. It can save a large amount of investment, manpower, and material resources; shorten research time; and greatly raise the utilization efficiency of computers. During the period of trial operation, the project proved successful in scientific calculation, as well as comprehensive management. In appraising and accepting the project a few days ago, experts in China and from other countries determined that the network project was up to the international standard of the middle and later 1980's. The network is the first of its kind in China, and it will help China's large research units by providing or popularizing experience in the application of computer networks.

### **Military**

#### **National Defense To Focus on High Technology**

*OW1804211791 Beijing International Service  
in Mandarin 0900 GMT 16 Apr 91*

[From the "Report on Current Events" program]

[Text] Dear listeners, I would like to share with you some of the ideas of Lieutenant General Shen Rongjun, vice minister of the Commission of Science, Technology, and Industry for National Defense, concerning the direction in which China will move during the next 10 years in terms of the modernization of its national defense.

Dear Listeners, Lt. Gen. Shen Rongjun said: Modern warfare is different from the past in many ways. In light

of this, China has to readjust the development of its national defense technology and weaponry. However, with limited defense budgets, China has to focus on high technology and large systems in efforts to modernize its national defense in the 1990's.

Shen Rongjun, 54, an expert in guided missiles, as well as space measurement and control, has worked for 18 years at the Jiuquan satellite launching center in the Gobi Desert. He said: The supremacy of modern military weaponry no longer relies on the performance of any single weapon. Rather, modern weaponry consists of large integrated systems made up of ground, naval, and air facilities, as well as applied satellites, complete with forewarning, command, communications, and control installations.

Gen. Shen said: High technology—including the latest research achievements in electronics, optics, energy, dynamics, space technology, and raw materials—is essential to the formation of a large, efficient warfare system. In a more sophisticated sense, high technology also acts as a driving force in the development of the national economy in addition to advancing national defense.

During the Seventh Five-Year Plan, China made great achievements in the research and development of new weapons, tackled key problems in national defense technology, and succeeded in large experiments. As a result, China made further progress in the modernization of its weaponry.

In the past five years, China has made more than 2,000 new achievements in aerospace, electronics, weaponry, nuclear technology, and [words indistinct] fields. China's space measurement and control technologies reached advanced world levels. It successfully launched a large thrust cluster carrier rocket. Today, China's naval, ground, and air forces, along with other armed services, are equipped not only with guns, tanks, naval vessels, warplanes, communications equipment, but also with intermediate- and long-range ground-to-ground guided missiles, as well as strategic nuclear [words indistinct] capabilities.

Gen. Shen Rongjun said: Economic development is the basis for the modernization of national defense, and a strong national defense safeguards economic growth. At present, China's military spending takes up only a very small portion of its gross national production when compared with other countries. However, it is absolutely possible to spend little and achieve much by way of deepening reforms, raising effectiveness, developing high defense technologies, and improving large systems.

As for the development of a large, high-technological system, Gen. Shen said: The weaponry China is using now is of better quality. In addition, China also has enjoyed a 100-percent success rate in satellite launchings in recent years. However, electronics and applied satellite technologies are still weak, thus affecting the performance of certain weapons.

The general maintained: Electronic and satellite technologies play an important role in national defense, as well

as in various sectors of the national economy. No military strategy and tactics can be carried out without the help of these high technologies.

Born in an intellectual family, Gen. Shen noted: The Chinese army has good quality and long-enduring combat capabilities. In 1990's, China's national defense strength will be further enhanced through the development of high technologies and large systems in weaponry.

#### **General Political Department Circular on 4 May**

*OW1904054091 Beijing XINHUA Domestic Service  
in Chinese 0518 GMT 17 Apr 91*

[Text] Beijing, 17 Apr (XINHUA)—The People's Liberation Army's [PLA] General Political Department recently issued a circular asking political organs of the armed forces and Communist Youth League [CYL] organizations at all levels to make good, earnest preparations for commemorating the 72d anniversary of the "4 May" Movement.

The "circular" states: The "4 May" commemorative activities for this year should be conducted under the central theme of "loving the party deeply, remaining loyal to the party, and following the party's lead," and in accordance with the guidelines of the Seventh Plenary Session of the 13th CPC Central Committee, the Fourth Session of the Seventh National People's Congress, and the General Political Department's principal line of strengthening party building in carrying out 1991's political work in the armed forces. It is necessary to conduct education enthusiastically on upholding the party's absolute leadership over the military; organize CYL members to mount assorted activities under the name of "The Party in My Mind"; extensively publicize the party's glorious history and great feats; enhance party concepts; and build up confidence in the socialist road. It is also essential to combine the activities to commemorate the "4 May" Movement with those aimed at promoting Lei Feng's spirit; motivate CYL members vigorously to mount on-the-job activities to learn from Lei Feng; and perform one's duties efficiently.

The "circular" emphasizes: Activities to commemorate the "4 May" Movement should be carried out primarily at the grass roots. CYL organizations at the grass-roots level should organize their members to conduct all types of educational activities; hold small-scale commemorative, reporting, and discussion meetings; sponsor reading sessions, lectures, and knowledge contests; arrange courtesy calls, as well as visits to cemeteries of revolutionary martyrs; select and commend advanced CYL branches and prominent CYL members; and stress variety, substance, and effectiveness in launching such activities.

#### **Central Military Commission To Screen Property**

*OW1904052691 Beijing Central Television Program  
One Network in Mandarin 1000 GMT 17 Apr 91*

[From the "National News Hookup" program]

[Text] At a recent all-army work meeting on checking and screening real estate in Dalian, our station reporter learned of the Central Military Commission's decision to commence work soon on checking and screening the military's real estate. [Video opens with long shots of a conference hall, then cuts to show closeups of Zhao Nanqi and some unidentified military personnel]

Zhao Nanqi, member of the Central Military Commission and director of the Logistics Department, said during the meeting: This work is important in strengthening management and running the army strictly. All military personnel should unify their thoughts, build up their confidence, advance in the face of difficulties, implement the policy of simultaneously checking and correcting problems related to real estate and of screening such estate, and carefully carry out and accomplish their work. Strengthening real estate management is an internal issue related to the military. It is also a social issue. We must win vigorous support and cooperation from local governments and concerned departments. To actively, suitably, and effectively check and screen the military's real estate, a military leading group on checking and screening real estate carried out trial checking and screening from 10 March to 12 April in Dalian, and achieved significant success. [Video shows military personnel operating computers and checking lists]

Liu Huaqing and Yang Baibing, respectively vice chairman and secretary general of the Central Military Commission, and leading cadres Qin Jiwei and Chi Haotian paid great attention to, and affirmed the checking and screening work. They said: Real estate managed by the military is state property. All military personnel should care greatly for, and protect it. Effectively accomplishing checking and screening work will greatly benefit efforts to carry out overall building of our armed forces. Our present work will be a contribution that is remembered forever. Xu Huizi, deputy chief of General Staff; Li Jinai, deputy director of the General Political Department; and Liu Mingpu, deputy director of the General Logistics Department; delivered speeches at the meeting.

#### **Nanjing Military Region Relays NPC Guidelines**

*OW1704143191 Nanjing Jiangsu Provincial Service  
in Mandarin 0915 GMT 15 Apr 91*

[Text] A grand meeting was held by the Nanjing Military Region on 15 April to relay and implement the guidelines of the Fourth Session of the Seventh National People's Congress [NPC]. More than 7,000 people attended the meeting, including Du Ping, (Song Kazhi), Fu Kuiqing, Gu Hui, Shi Yuxiao, (Zhang Ming), Zhang Zongde, and Wang Tailan; NPC Deputies (Zhan Dalan) and (Xu Huailiang) of the military region's headquarters; retired veteran comrades; and cadres, soldiers, staff members, and workers of the military region's headquarters and units stationed in Nanjing.



Pei Jiuzhou, an NPC deputy and deputy political commissar of the Nanjing Military Region, briefed the attendants on the guidelines of the Fourth Session of the Seventh NPC.

Deputy Commissar Wang Yongming set concrete demands on the units under the military region to relay and implement the guidelines of the NPC session. He said: In his report Premier Li Peng set new tasks for army building. All units under the military region should make the guidelines a motivating force; vigorously strengthen ideological and political work in accordance with the demands of the party Central Committee, State Council, and Central Military Commission; and ensure that they are always qualified politically. By focusing on military training, they should upgrade their fighting capability; consciously subordinate themselves to the needs of national economic construction; actively support the state's key construction projects and other socialist construction; accomplish their difficult missions well; assist in realizing the 10-Year Program and the Eighth Five-Year Plan; consolidate and develop the achievements of the work of supporting the government and cherishing the people; constantly make explorations and sum up new experiences; foster a good image in cherishing the people, learning from them, and serving them; continue to strengthen the relations between the army and the government and between the army and the people; and devote themselves to the realization of the magnificent blueprint.

#### **Qinghai District Holds Mobilization Meeting**

HK1804131091 Xining Qinghai Provincial Service  
in Mandarin 2200 GMT 13 Apr 91

[Text] In order to comprehensively implement the new Common Regulations and the Training Law that have been promulgated by the Central Military Commission; to meet the needs of the troops' revolutionization, modernization, and standardization building; to push ahead with the troops' standardization building; and to raise the standard of managing the armed forces and the military training in accordance with the military law, the Qinghai Provincial Military District on 12 April held a mobilization rally on strengthening the troops' standardization building.

Major General Ji Zhanbin, commander of the provincial military district, and Senior Colonel (Wang Yuyuan), deputy commander of the provincial military district, respectively delivered mobilization speeches in which they called on all officers and soldiers under the provincial military district to set off an upsurge of studying, memorizing, implementing, and carrying out the military laws and regulations so as to consciously apply the military decrees, rules, and regulations to military training management; standardize the management of military training; clearly define duties and responsibilities; strictly enforce disciplines; and strive to standardize action, conduct scientific management, and further standardize the district's troops.

They also called on leading organs at all levels to take the lead in implementing and carrying out the rules and

regulations, going deep to the grass-roots level, and successfully grasping all types of work relating to the troops' standardization building in accordance with the military decrees, rules, and regulations. They called on all the troops under the provincial military district to establish a good order in combat, training, work, and daily life [words indistinct]; foster a firm ideology, a strong military capability, a fine style, enforce strict discipline; and establish good relations among themselves and with other units, guarantee provision of daily necessities, and ensure organizational efficiency in order to raise the district's standardization building to a new level.

#### **Beijing Region Promotes Party Branch Experience**

OW1904054891 Beijing XINHUA Domestic Service  
in Chinese 0349 GMT 17 April 91

[By reporter Yi Jianru (2496 0313 1172) and correspondent Gao Fang (7559 2455)]

[Text] Beijing, 17 Apr (XINHUA)—The Beijing Military Region's party committee recently decided to launch activities among the troops in the region to learn from 11 grass-roots party branches, in an effort to promote effective self-improvement by grass-roots party organs.

Some of the 11 party branches in question have inherited and carried forward glorious traditions, and have maintained an advanced status for a long time; others have just joined the ranks of the advanced after "turning over a new leaf." They have enforced the party's absolute leadership over the military at the grass roots, persistently provided powerful and effective leadership over ideological and political matters in performing various tasks, and ensured correct orientation in building People's Liberation Army [PLA] companies. Under a strong collective leadership, members of these party branches have earnestly implemented the principle of democratic centralism, effectively drawn on collective wisdom, and formed a mighty binding force by rallying cadres and fighters closely around their party branches. They have excellent party members, who have a strong party spirit and a good image. They have acted in an exemplary manner in various endeavors, displayed great skill at solving their own problems and at directing the overall construction of PLA companies, and led other troops throughout the region in carrying out various endeavors related to those companies.

#### **Ground Artillery Control System Developed**

OW1704135491 Beijing Central Television Program  
One Network in Mandarin 1300 GMT 16 Apr 91

[From the "Night News" program]

[Text] China's first comprehensive and advanced automatic ground artillery operational control system has been developed successfully by an artillery unit of the Guangzhou Military Region and the Huanan Science and Engineering University. The unit's rapid response capability has been greatly upgraded since it was

equipped with the system. A few days ago the General Staff Department held an on-the-spot meeting at the unit for the purpose of discussion and emulation.

The automatic control system enables the command centers of regiments, battalions, and companies, as well as the communication networks of artillery positions to direct the firepower of 90 artillery pieces simultaneously. [Video shows a number of uniformed soldiers listening to an instructor who stands in front of a large blackboard in a classroom, then cuts to show an open field where the control system is being tested; video goes on to show a closeup of a soldier operating a computer that is part of the automatic control system]

### Economic & Agricultural

#### Bo Yibo Marks Progress of Aviation Industry

OW1804075191 Beijing XINHUA in English  
0617 GMT 18 Apr 91

[Text] Beijing, April 18 (XINHUA)—China's aviation industry has made great progress since its founding 40 years ago, today's PEOPLE'S DAILY [RENMIN RIBAO] quoted a senior official as reporting.

Bo Yibo, vice-chairman of the Central Advisory Commission, said Thursday at a meeting to mark the 40th anniversary of the founding of the industry that the aviation industry has made great contributions to the development of national defence and national economy.

Over 1,200 representatives of various aspects of the aviation industry from all over the country attended the meeting in Beijing.

Ten outstanding people in the industry were awarded the "aviation gold medal" at the meeting. It is the highest honor and reward the industry has issued since the founding of New China in 1949. In addition, 93 other people were cited as model workers of the industry.

Party General Secretary Jiang Zemin and other party, state and military leaders Li Peng, Nie Rongzheng, Wang Zhen, Liu Huaqing and Zou Jiahua sent congratulatory letters to the meeting.

About 64 advanced units that have contributed greatly to the industry were also cited at the meeting.

#### Economic Experts Warn of Inflation Danger

HK1904071891 Beijing CHINA DAILY in English  
19 Apr 91 p 4

[By Zhai Feng]

[Text] A reliable economic forecast for 1991 indicates there is little danger of high price rises in the first half of this year, but warns of the possibility of inflation in the final months of the year and in early 1992.

The forecast was made by four well-known economists at the Chinese Academy of Social Sciences (Cass). They are Liu Guoguang, Cass vice-president; Zhang Zhuoyuan, director of the Institute of Financial and Commercial Economics; Dai Yuanchen, research fellow at the Institute of Economics; and Bian Yongzhuang, research fellow at the Institute of Financial and Commercial Economics.

The conclusion of their study was published in the March edition of the monthly Economic Research journal [JINGJI YANJIU].

The factors which threaten to cause inflation later this year or early next year, according to the four economists, include the aftermath of the increase in business tax this year and the lack of effective control over the scale of capital investment.

The growth in demand in the consumer market will not be so strong as to outstrip the growth in supply they say.

Following the slow increase in income distribution in 1990, the 1991 urban and rural income level will climb no more than 8.7 percent.

The increase in urban wage levels will go up from 12 to 15 percent and the rural income figure, including the earnings from various non-farming fields, will go up from 5 to 8 percent compared with last year.

At this rate, customers have no reason to anticipate a rapid rise in their income level or the start of a new round of inflation.

The economists quoted another telling example to highlight the situation. A survey revealed that out of 1,000 families in Beijing, 74.5 percent regard their bank deposits as funds for new houses, children's education or retirement spending rather than as funds for buying expensive consumer goods.

Because of the record grain harvest, and the steep decline in inflation from 18 percent in 1989 to 2.1 percent last year, the confidence of urban consumers has risen considerably.

However, the rural consumer market is still faced with a lack of immediate demand and the economists predict it will not recover until the end of June.

In the 1991 materials market, they say, supply can easily match demand.

The country plans to invest a total of 500 billion yuan (\$96.2 billion) in capital construction this year, a 14 percent rise over last year.

But with the price increases deducted, this investment is actually less in real terms than that made in 1988.

#### Investment

Of the total investment, the State budget will provide 37.2 billion yuan (\$7.2 billion), banks will give of 61



billion yuan (\$11.7 billion) in loans, collectives and individuals will invest 175.5 billion yuan (\$33.7 billion), and the remainder will be shouldered by the State-owned enterprises.

It is possible that the plan to invest 500 billion yuan (\$96.2 billion) in capital construction will not be realized this year, the economists admit.

Many State-owned enterprises are facing difficulties this year in expanding capital construction.

They have fallen short of operating capital, and have faced product stockpiles and low economic returns since the launching of the austerity programme in late 1988.

This year, a slow increase in farmers' income will largely dampen their interest in capital investment.

However, estimates by the Ministry of Materials show that the potential increases in materials in 1991 can meet the demand, if the 500 billion yuan (\$96.2 billion) is injected into capital construction.

Thanks to the rapid advances made over the last few years, the country's raw materials, energy and transportation industries have been able to build up the development of the country's industry as a whole at the rate of 8 to 9 percent, exceeding the level of 6 percent planned by the government.

But at the same time, the economists warn, if the local authorities pour more loans without restraint into capital construction, resulting in the investment largely overstepping the expected 500 billion yuan (\$96.2 billion), the health of the materials market will be jeopardized, and the prices of materials will rise sharply late this year and early next year.

Moreover, they are worried about a plan recently adopted by the central government. Under this plan, the country will raise business tax so as to control the 1991 budget deficit under 12.3 billion yuan (\$2.4 billion).

The increase in business tax will inevitably result in increases in retail prices, even though it will help bring down the budget deficit.

Since the Chinese government is abolishing subsidies for State-run exporters this year, world inflation, aggravated by the Gulf war, will more easily influence the domestic market in China, the economists note.

But if the country maintains the current tariffs on imports, the imported goods will hardly spur retail prices to climb.

To prevent a new round of inflation in late 1991 and early next year, the economists suggest that the government should strengthen the management of capital construction and cautiously raise the business tax.

Retail prices, particularly for non-staple foodstuffs, should be kept stable and non-staple foodstuffs subsidies for urban inhabitants should be moderately reduced.

More efforts should be made to rectify the existing industrial structure and product mix, and enterprises should improve the quality of the products they turn out.

### Problems in Current Economic Reform Viewed

*HK1804143991 Beijing JINGJI GUANLI in Chinese No 12, 5 Dec 90 pp 15-17*

[Article by Liu Heng (0491 1854), edited by Liu Qichang (0491 0366 2490): "The Basic Line of Thought for Resolving Major Problems in Economic Improvement and Rectification"]

[Text] A prominent characteristic of the current economic readjustment is that old and new problems are intermingled, and many complex contradictions have appeared. The correct resolution of these contradictions is of very major significance in the current economic improvement and rectification, and in future economic development.

#### 1. The Contradictions Between Controlling the Scale of Fixed Asset Investment and Dealing With Inflation

At present, owing to the serious stockpiling of industrial products, a large volume of funds are tied up, quite a number of enterprises have suspended or partially suspended work, and industrial production has not yet escaped its difficulties. Expanding demand, especially for means of production, and increasing fixed-asset investment is the policy of choice for resolving the current economic difficulties. However, when the situation of overall demand exceeding overall supply has not taken a basic turn for the better, and the credit growth rate continues to exceed the economic growth rate by a considerable margin, will the continued expansion of the scale of investment lead to new inflation? Handling this contradiction well is the key to resolving the current economic difficulties.

The scale of investment and inflation are not necessarily related. The crucial factor is the source of the investment. If the expansion of the scale of investment is realized by cutting back consumption and raising accumulation, the expansion of the scale of investment will not lead to inflation. Seen from the current source of investment in our country, most is state-budgeted investment, but there is also some use of foreign funds, bank credit, and self-raised funds. Generally, self-raised funds correspond to some actual products and thus the expansion of the scale of investment through self-raised funds cannot lead to inflation. Bank credit is different, as the use of the credit has only a certain limited correspondence with material products. Once that limit is exceeded, there is no correspondence with material products. As the banking system can create its own source of funds through money and through "credit transfers" it does not have an absolute internal limit like self-raised funds, thus it is very easy for excessive credit growth to occur.

The contradiction between expanding the scale of fixed-asset investment and dealing with inflation is actually a relationship between the scale of fixed-asset investment credit and inflation. The crux of the problem then is whether or not the various departments and various regional governments and enterprises can raise their own funds. As far as the enterprises are concerned, at present it is quite difficult for them to increase investment, but the enthusiasm of the various departments and local governments for their own projects is very high. In the first half of this year, newly initiated capital construction projects and renewal-transformation projects numbered more than 8,100, a growth of more than 2,700 or 49.5 percent over the same period in the previous year. Thus, in response to this situation we should switch to controlling the source of the funds in order to control fixed-asset projects. Control over projects that employ self-raised funds should be appropriately relaxed, and examination and approval powers over some projects having "a short construction period, cheap construction costs, and that show results quickly" should be handed down appropriately.

## **2. The Contradiction Between Readjusting the Industrial Structure and Tightening Up on the Money Supply**

Under market conditions, readjusting the industrial structure and tightening up on the money supply are not contradictory. In a period of cutting back, enterprises with poor operations cannot bear the pressure of cut-backs, so they go bankrupt and then are absorbed by enterprises with good operations. Enterprises with good operations expand their product markets through mergers and alliances, thereby carrying out readjustment of the industrial structure. However, when our country cuts back, enterprises with poor operational results do not suffer and they continue to operate after incurring losses and still use large amounts of funds. As the funds cannot circulate, the enterprises producing products that sell well find it very difficult to expand their own production capacity. The previous readjustments generally were carried out in situations in which the existing industrial structure was maintained, and within any particular industry the production at some enterprises grew at the cost of halting production at others. In the current readjustment, apart from some problems in the degree to which cutting back should be implemented, the new problem of "triangular debt" has emerged, meaning increased difficulty in carrying out readjustment of the industrial structure.

If we are to have our country's industry complete the structural readjustment tasks in a period of cutting back, we need to consider the following three points: 1) The overall technological level of our country's industrial enterprises is not very high, and it takes a long time for these enterprises to switch production. 2) Enterprises have few funds of their own, and their supply of funds generally depends on credit; this is particularly true for township and small town enterprises. 3) Necessary social security systems are lacking. The several points noted

here determine that the room for maneuver in our country's economic readjustment is very small, so this demands that macroeconomic manipulation cannot be too great. First, enterprises find it difficult to accord with drastic changes in the macroeconomic situation. Second, under conditions of cutting back, local governments and enterprises find it very difficult to observe whether or not their products are meeting market changes or whether there have been mistakes in macroeconomic manipulation, so they find it difficult to readjust their product mix. In the current cutting back, about 20 percent of electromechanical enterprises have stopped work completely or have closed down part of their operations. Does this mean they have to switch production? The relevant decisionmakers are finding it difficult to make such decisions.

Seen from one side of the contradiction, the majority of the important economic readjustments in our country have been forced on us by the current economic difficulties and especially by the need to resolve financial difficulties, and there is very little consideration given to the negative effects brought by the readjustment. If we are to handle correctly the contradiction between readjusting the industrial structure and cutting back, we first must fully understand the negative effects of cutting back and take good preparatory measures. Second, the standard for the appropriate degree of cut-back should be that the vast majority of enterprises will be able to bear it. If the vast majority of enterprises are unable to withstand the pressure of the cut-backs, production growth will be slow and financial difficulties exacerbated, and this will mean an increase in the difficulty of readjustment. Seen from the other side of the contradiction, our country's structural readjustment is being achieved primarily through incremental readjustment. In a period of cut-back, the relative growth and perhaps even absolute growth is reduced. However, there are great changes in market demand, which objectively require great readjustment in the industrial structure. At such a time, incremental readjustment must be carried out selectively. That is, enterprises with good economic results must be supported and their development must be accelerated. With respect to readjusting existing stock, we must speed up the establishment of enterprise groups. Also, in a planned and gradual manner, we will have to select poorly operating enterprises in those industries seeing excessively swift development, and shut them down, suspend their operations, merge them, or get them to switch production to other products, so as to achieve the goal of readjusting the industrial structure.

## **3. The Contradiction Between Strengthening the Development of Basic Industries and Resolving Financial Difficulties**

An important task in the current economic improvement and rectification is the readjustment of the relationship between basic industries and manufacturing industries, and the speeding of the development of basic industries. However, owing to the low price of basic industry products, only rarely are funds outside the budget and

local financial administration funds put into this area, so the task of developing basic industries falls mainly to the central financial administration. This contradiction already existed during the period of high speed economic growth, and it has become even more prominent in this time of a cutback in the money supply.

If we are to handle this contradiction correctly, first we need a correct understanding of industrial growth. In the past, when people spoke of the economy overheating, it meant that industrial growth was too swift; reducing the economic temperature meant reducing the speed of industrial growth. However, it did not consider the economic background in which industrial growth was realized, meaning the supply and demand situation in which it was achieved. In 1989, under conditions of a great rise in prices, we achieved a basic balance between total supply and total demand, and the speed of industrial growth fell to 6.8 percent from 17.7 percent in the previous year. Many people thought this situation was normal, but they did not look at the great rise in industrial product prices, which showed that there was a serious deficiency in total supply of industrial products. The view that equates economic overheating with the speed of industrial growth is wrong. The development goal we seek is for high-speed growth to be achieved under conditions of achieving a basic balance between total supply and total demand (excluding price rise factors). High-speed growth with supply-demand balance indicates both that industrial production potential is being fully brought into play and that production efficiency is being raised.

Second, we must establish the idea of balanced development between basic industries and manufacturing industries. In the past, the development of manufacturing industries was divorced from the development of basic industries, and this produced proportional dislocation. Since the second half of last year, the accelerated development of basic industries has been carried out by excessively restraining the development of manufacturing industries. This eventually will lead to a low level of industrial growth and will produce financial difficulties. Thus, without the development of manufacturing industries, there can be no slanting toward basic industries, and if basic industries are not strengthened, it will be difficult to achieve the sustained growth of manufacturing industries.

Resolving the contradiction between basic industries and financial administration requires, first, the strengthening of support from the central financial administration and second, regulation through economic mechanisms. The basic lines of thought are: 1) We must continue to increase the proportion that central financial income constitutes in national income. 2) We should change the current situation in which direct central investment is the main part, to one in which guided investment constitutes the main part. Investment guidance will be carried out via discounting, subsidies, and other methods. In this way, the tens of billions of yuan in central financial administration investment will be able

to draw in several times their own amount in social funds investment in basic industrial sectors.

#### **4. A Point To Ponder: On the Crucial Factor in Economic Readjustment**

In terms of the economic situation, the current economic readjustment has much better conditions than did the two readjustments in the 1960s and the 1980s. However, the degree of difficulty is also greater than during the previous two readjustments. Prior to the reforms, the primary task of local leaders was to guarantee the implementation of the central authorities' principles and policies, while the primary task of enterprise leaders was to guarantee the completion of state production plans. Local governments and enterprises rarely had their own economic interests and the whole country formed "one chessboard." Since the reforms, especially since the implementation of "eating in separate kitchens," localities and enterprises have had their own economic interests, and local governments not only have had to guarantee the implementation of the various principles and policies of the central authorities, but also have had to guarantee the quite major development of their own regional economies. Apart from having to complete the state production tasks, enterprises also have had to guarantee rather large growth in profits. Thus, both local governments and enterprises have a dual nature: An "administrative nature" and an "economic nature." When an enterprise looks toward the consumers and the market, and when it handles the relationship between itself and other enterprises, it is a true economic entity with independent accounting. When facing the upper-level managing department, the enterprise is only a relatively independent economic entity. That is, at such a time, its "administrative nature" is manifested quite strongly. Although we have put much stress on enlivening enterprises in recent years, owing to the very incomplete nature of the market, operational autonomy has not really been handed down to enterprises and the "power of life or death" over enterprises actually has been in the hands of local government. When the central authorities carry out macroeconomic regulation and control, it is to a large degree regulation and control of the local governments. Furthermore, the budgetary restrictions of local governments are quite soft. This is the first point of difficulty for economic improvement and rectification. Since "eating in separate kitchens" was implemented, the economic interests of local governments have been continually strengthened. However, because prices, interest rates and other economic relationships have not yet been put in order and reform is still being explored, whether or not the specific policies of local governments accord with the stipulations of the central authorities is actually something for the localities to decide, while completing the handing up of the required amounts to the central financial administration is set down as a firm target. Since the implementation of economic improvement and rectification, at the same time local government economic interests have been strengthened, the "administrative nature" of local government also has been strengthened. For example, it has



been stipulated that provinces, municipalities, and autonomous regions must not exceed the scale set for fixed-asset investment and the local leaders have been made responsible for ensuring this. Seen in terms of the relationship between administrative measures and economic measures, when administrative measures are employed, to a great degree a negative attitude is adopted with respect to the economic interests of the locality. When economic measures are being employed, an exclusionary attitude is adopted toward administrative measures. This has meant that the two types of measures are antagonistic to a great degree, and this has placed the local governments in a dilemma. This is the second point of difficulty in economic improvement and rectification. When considering the orientation of future reform and development, we should strengthen the "administrative nature" of local governments and weaken their "economic nature." Then they can take administrative regulation as the main part and supplement this with economic regulation. On the other hand, the "economic nature" of the enterprises should be strengthened and their "administrative nature" weakened, and they should take economic regulation as the main part, supplemented by administrative regulation. In this way, the antagonism between economic measures and administrative measures will be reduced to the lowest possible degree.

#### **Regional Economic Cooperation 'Thriving'**

OW1804213091 Beijing XINHUA Domestic Service  
in Chinese 2007 GMT 15 Apr 91

[By reporters Wu Guoqing (0702 0948 3237) and Chen Zhiqiang (7115 1807 1730)]

[Text] Xian, 16 Apr (XINHUA)—Regional economic alliance and cooperation that go beyond administrative divisions and highlight regional economic advantages are thriving throughout China.

According to the preliminary statistics of the Institute for the Study of Lateral Economic Cooperation in China, more than 100 regional economic alliance and cooperation organizations of different sizes and types have been established between provinces (autonomous regions), contiguous areas of various provinces (autonomous regions, municipalities), or metropolitan cities, as well as within each province (autonomous region). Taking into account the economic and social developments of various localities, and under the principles of voluntary participation and mutual benefit, these organizations extensively conduct lateral cooperation in production, science, technology, circulation, and exploitation of natural resources, expanding the fields and scope of regional cooperation in a long-term, stable, and solid manner.

Regional economic cooperation enhances the functions of metropolitan cities, facilitates economic reforms, and promotes the development of regional economies. The Nanjing regional economic coordination zone, established in June 1986, now has expanded to encompass 18

prefectures and cities in the three provinces of Jiangsu, Anhui, and Jiangxi. It has set up more than 70 lateral cooperation networks in economic, scientific, technological, and cultural fields, as well as four major markets in commodities, materials, finance, and science and technology. In the past four years, the zone has forged over 5,000 cooperation projects, financed more than 8 billion yuan in capital, and circulated 300 billion yuan worth of commodities. It also has organized cooperation in materials totaling over 2 billion yuan and set up 88 enterprise groups. The 12-sectored cooperation zone among the three provinces of Shaanxi, Gansu, and Sichuan concentrates on helping poor areas. Through jointly introducing new technologies and exploiting natural resources, the zone has completed 5,577 economic and technological cooperation projects, developed 1,261 new products, as well as increased output value by 1.388 billion yuan and profits and taxes by 237 million yuan. Last October, the cooperation zone held a west China materials fair in Hanzhong, Shaanxi, which brought in a total of 1.58 billion yuan in transactions.

These regional economic cooperation organizations gradually have acquired their own distinguishing features. The six-sectored economic coordination association of the five provinces in southwest China, which was set up six years ago, has invested 491 million yuan in contiguous areas in the cooperation region to repair and connect 17 highways with a total length of 513 km, as well as to build five highway bridges, thus greatly improving the transport situation. The economic cooperation triangle of Shaanxi, Shanxi, and Henan has built the Maojindu and Fenglingdu Bridges over the Huang He and made joint efforts to control floods and locusts, thus effectively solving problems that could not be solved by individual localities in the past. The financial alliance of the economic cooperation zone in central Liaoning, in its efforts to improve the economic situation and rectify economic order, has settled 6.8 billion yuan in triangle debts.

#### **Ten-Year Water Conservancy Project Plan Set**

HK1904012891 Beijing CHINA DAILY in English  
19 Apr 91 p 1

[By staff reporter Liang Chao]

[Text] China plans to build at least 10 key water conservancy projects in the next 10 years.

Senior officials in charge of the work said they have been much encouraged by the country's 10-year national economic development programme which officially confirmed that water conservancy is "one of the national economy's basic industries, like power, grain production and transportation."

A top official of the Ministry of Water Resources made it clear yesterday that the projects will include the 3 billion yuan (\$576 million) Xiaolangdi Reservoir project located in Henan Province, which is designed to counter a "1,000-year flood" on the Yellow River, China's second largest river.



The project is regarded as most important because it can withstand the catastrophic floods which occur an average of every 1,000 years on the river, once called "the sorrow of China's because of the frequent floods on its middle and lower reaches.

Speaking at a national conference on water conservancy, Yang Zhenhuai, Minister of Water Resources, disclosed that large key water control projects are also to be built in Wanjiazhai on the border areas between Shanxi Province and Inner Mongolia Autonomous Region and Daluoshu between Gansu Province and Ningxia Hui Autonomous Region, respectively in North and Northwest China.

In Central China's Hunan Province and Sichuan Province in the southwest, large multi-purpose water control projects are to be built in Zipingpu on the Minjiang River and in Jiangya on the Lishui River.

Dams at Feilai Gorge, Dateng Gorge on the Pearl River and Daguang Gorge in Hainan Province, are planned for the country's southern areas.

This, the Minister indicated, is part of the government's ambitious plan to further harnessing China's largest rivers, especially the Yangtze and the Yellow River, during the 1990s.

By the year 2000, the Minister said, the ministry is scheduled to complete electrification in 600 counties, nearly one-third of the country's total, which would not only ensure enough power supply to millions of farmers but also facilitate the rural areas' economic take-off.

Meanwhile, one of China's most ambitious plans for easing up its northern areas water shortage—the project of diverting water from the Yangtze River and sending it to the north—will be further speeded up.

With the project and several other similar water-diversion projects in different river valleys or areas, the government is confident it can improve water supply in more than 100 cities and to more than 80 million rural residents suffering from serious water supply shortages.

## First Quarter Economic Statistics Reported

### Primary Energy Output

HK1904101791 Beijing CEI Database in English  
19 Apr 91

[Text] Beijing (CEI)—Following is a list of China's total output of primary energy in the first quarter of 1991, released by the China State Statistical Bureau:

Item	Unit	1-3/91	1-3/90
Total energy output (10,000t of standard coal)		23035	23007
Raw coal	10,000t	23347	23430
planned	10,000t	12254	11836

Crude oil	10,000t	3439.0	3403.4
Natural gas	100 m cm	38.58	37.42
Electric power	100 m kwh	1574.8	1438.4
hydropower	100 m kwh	230.7	226.1

Notes: m—million, cm—cubic meter, t—ton

### Light Industry

HK1904101391 Beijing CEI Database in English  
19 Apr 91

[Text] Beijing (CEI)—Following is a list of the output of China's light industrial products in the first quarter of 1991, released by the State Statistical Bureau:

Item	Unit	1-3/91	1-3/90
Bicycle	10,000 S	828.57	690.34
Sewing machine	10,000 S	176.34	186.30
Watch	10,000	1865.1	1632.9
Camera	10,000 S	77.33	36.96
TV set	10,000 S	678.40	619.36
Color TV	10,000 S	288.27	183.90
Video recorder	10,000 S	2.10	2.53
Radio	10,000 S	444.52	426.52
Tape recorder	10,000 S	716.56	587.70
Washing machine	10,000 S	192.01	154.51
Fan	10,000 S	1610.42	1391.16
Refrigerator	10,000 S	94.59	101.71
Sugar	10,000 T	398.22	333.76
Salt	10,000 T	177.8	174.0
Cigarette	10,000 C	779.1	756.1
Beer	10,000 T	126.53	104.57
Liquor	10,000 T	123.40	117.45
Canned product	10,000 T	25.38	31.25
Feed	10,000 T	538.34	514.10
Machine-made paper and kraft	10,000 T	270.77	236.74
Newsprint	10,000 T	10.89	7.28
Anastatic printing paper	10,000 T	13.11	13.42
Synthetic detergent	10,000 T	36.36	34.26
Daily fine aluminium products	T	20235	16918
Plastic product	10,000 T	82.79	73.84
Farming film	10,000 T	12.67	12.06
Bulb	100MPC	6.40	5.38

Notes: MM—million meter, CM—cubic meter, PC—piece, C—cases, T—ton, S—set.

### Mechano-Electronic Industry

HK1904102991 Beijing CEI Database in English  
19 Apr 91

[Text] Beijing (CEI)—Following is a list of the output of China's major mechano-electronic products in the first quarter of 1991, released by the State Statistical Bureau:

Item	Unit	1-3/91	1-3/90
Power equipment	10,000kw	199.40	211.89
A.C. motor	10,000kw	826.71	891.27
Industrial boiler	t	9052	9666
Metal cutting machine tool	10,000s	3.04	2.64
digital controlled tool	s	801	442
precision machine tool	s	447	246
Large machine tool	s	528	549
Automobile	10,000	13.94	9.76
Truck	10,000	7.95	5.70
Tractor (over 20 h.p.)	10,000	1.43	0.92
Small tractor	10,000	34.60	21.65
Locomotive	s	170	135
diesel	s	117	107
steam	s	1	5
electric	s	52	23
Passenger coach	s	421	396
Freight wagon	s	5170	6345
Internal combustion engine	10,000kw	1446.6	1228.5
Fishing ship		12	11
Civil steel ship	10,000t	11.82	6.57
Computer	s	30	28
Mini computer	s	12719	9004
Pocket calculator	10,000s	337.35	125.92
Program-controlled switchboard	10,000s	7.54	3.64
Film projector 10,000s	0.25	0.30	

notes: t—ton, s—set, kw—kilowatt

### Transport, Post, Telecommunications

HK1904102191 Beijing CEI Database in English  
19 Apr 91

[Text] Beijing (CEI)—Following is a list of volume of transportation and post and telecommunications service in the first quarter of 1991, released by the State Statistical Bureau:

	Unit	1-3/91	1-3/90
Cargo	100 m t	6.13	6.07
railways	100 m t	3.58	3.58
auto	100 m t	1.31	1.29
ships	100 m t	1.24	1.20
caac	10,000 t	8.00	6.81
Circulating cargo (100 million tons/km)			
railways	2657.60	2537.59	
auto	80.93	79.27	
ships	2912.70	2689.18	
caac	1.97	1.45	
Passengers (100 million persons)	13.75	13.36	
railways	2.41	2.43	
auto	10.84	10.41	
ships	0.46	0.49	
caac (10,000 person)	375	270.50	
Circulating passengers (100 million persons/km)	1259.18	1182.25	
railways	675.50	646.56	
auto	494.39	461.08	
ships	35.17	34.96	
caac	54.12	39.65	
Cargo handling of main coastal ports (100 million tons)	1.13	1.04	
Circulating volume of civil aviation (100 million tons/km)	5.92	4.34	
Volume of post and telecommunication (100 million yuan)	43.15	16.51	

**East Region****Fu Xishou at Meeting on Attracting Investment***OW1904034391 Hefei Anhui Provincial Service  
in Mandarin 1100 GMT 11 Apr 91*

[From the "Provincial Hookup" program]

[Excerpts] An Anhui provincial meeting to attract foreign investment was ceremoniously opened at Zhuhai City's International Exhibition Center this morning.

Provincial leaders Fu Xishou, Wu Changqi, and Cui Jianxiao, as well as responsible persons of departments directly under the provincial authority; Hefei, Wuhu, Maanshan, Tongling, and Anqing cities, attended the opening ceremony. (Lai Shaoqi), member of the National Committee of the Chinese People's Political Consultative Conference, and leaders of Guangdong Province, Guangzhou City, and Zhuhai City were present and extended congratulations to the meeting.

More than 150 businessmen from the United States, Japan, Switzerland, Singapore, Czechoslovakia, and other countries, as well as from Hong Kong, Macao, and Taiwan enthusiastically attended the meeting. Over 600 people were present at the opening ceremony.

Vice Governor Wu Changqi presided over the ceremony.

In his speech, Governor Fu Xishou said: Anhui is a province close to the sea and along rivers. It is rich in natural resources and has good transport facilities. It is a beautiful place. Following the policies of reform and opening to the outside world, the 56 million people of the province are working with one heart and one mind to carry out economic construction in order to reach a new level of prosperity in the next decade.

Fu Xishou said: Anhui has the favorable conditions of both a coastal and an inland area, and is a good place for foreign investment. We warmly welcome Hong Kong, Macao, and Taiwan compatriots, Overseas Chinese, and foreign industrialists to invest in our province. We will provide good service and sincerely cooperate with you. Huang Shan, a world-famous scenic spot, is in Anhui, and we warmly welcome you to travel and sightsee in our province.

At the meeting, Chen Jian, director of the Anhui Provincial Planning Commission, announced Anhui Province's first group of projects for foreign investment, including projects in agriculture, energy, raw and semifinished materials, machinery, electrical products, light and textile industries, communications, and tourist service. The projects number 232 in all and call for a total investment of about 15.7 billion yuan in renminbi. The use of foreign funds worth \$1.7 billion is planned. [passage omitted]

Chen Jian then said: To guarantee foreign businessmen's legitimate rights and interests, and make it possible for them to achieve the biggest possible success in investment, we will unswervingly implement our country's policies of reform and opening to the outside world, and resolutely carry out

various state laws, regulations, and policies encouraging foreign investment. [passage omitted]

**Chen Guangyi at CPPCC Committee Meeting***HK1604151291 Fuzhou Fujian Provincial Service  
in Mandarin 1000 GMT 14 Apr 91*

[Text] The 13th Standing Committee Meeting of the Sixth Fujian Provincial Committee of the Chinese People's Political Consultative Conference [CPPCC] concluded in Fuzhou this morning after successfully fulfilling its agenda.

The meeting decided to convene the fourth session of the sixth provincial CPPCC committee on 20 April.

Chen Guangyi, provincial party committee secretary and provincial CPPCC committee chairman, attended and delivered a speech at the closing ceremony. He said: This year is the first year for implementing the 10-Year Program and the Eighth Five-Year Plan. We must study in depth and conscientiously implement the spirit of the proposals of the CPC Central Committee on formulating the 10-Year National Economic and Social Development Program and Eighth Five-Year Plan. We must actively exercise our political consultation and democratic supervision functions by centering on implementing the Outline of the 10-Year National Economic and Social Development Program and Eighth Five-Year Plan, which has been discussed and adopted by the Fourth Session of the Seventh National People's Congress [NPC]. We must place CPPCC work in an orbit that will facilitate the attainment of the second-stage strategic goals and must carry out all sorts of work in a down-to-earth manner.

The meeting held conscientious discussions and consultations on the provincial government work report and the draft outline of Fujian Province's 10-Year National Economic and Social Development Program and Eighth Five-Year Plan, both of which are soon to be submitted to the forthcoming fourth session of the sixth provincial people's congress for discussion.

After conscientious consultations and discussions, the members adopted the decision on convocation of the fourth session of the sixth provincial CPPCC committee, the namelist of panel conveners of the fourth session of the sixth provincial CPPCC committee, and the namelist of executive chairmen of the fourth session. The members also adopted the namelist of the secretary general and deputy secretaries general of the fourth session and the decision on designating the Fujian Provincial Science Association and Fujian Provincial Federation of Returned Overseas Chinese as component units of the Fujian Provincial CPPCC Committee. They adopted the regulations of motions work of the Fujian Provincial CPPCC Committee, and the decision on Comrade (Liu Jiarui)'s removal from office as deputy secretary general of the provincial CPPCC committee.

The meeting held a by-election to select 11 people, including (Chen Biao), (Hong Jianer), (Yang Ziqin), (Lin Yi), (Fang Shiqiu), (Shi Qiren), (Shu Wenyuan), (Zhang Jinglun), (Yang Wenyi), (Xie Jianou), and (Guo Yunzhen), as members of the Sixth Provincial CPPCC Committee, and adopted the decision by the provincial CPPCC committee on unfolding activities to commemorate the 80th anniversary of the 1911 Revolution.

Provincial CPPCC committee Vice Chairmen Chen Xizhong, Ling Qing, Ni Songmao, Zhao Xiufu, Lu Haoran, Chen Yangzeng, and Xu Jimei attended today's meeting.

### **Jiangsu Leaders Discuss CPC, NPC Guidelines**

OW1804212191 Nanjing Jiangsu Provincial Service  
in Mandarin 0915 GMT 17 Apr 91

[From the "News" program]

[Text] Representatives of provincial organs met at the Nanjing People's Great Hall this morning to hear guidelines of the Fourth Session of the Seventh National People's Congress [NPC] and the Fourth Session of the National Committee of the Chinese People's Political Consultative Conference [CPPCC].

Chen Huanyou, Han Peixin, Sun Han, and other leading comrades were present at the meeting. Chen Huanyou presided over the meeting.

Zhang Yaohua, vice chairman of the Jiangsu Provincial People's Congress Standing Committee and deputy head of the Jiangsu delegation to the NPC session, and Zhang Chenhuan, member of the CPPCC National Committee and vice chairman of the Jiangsu CPPCC Committee, conveyed the guidelines of the NPC and the CPPCC National Committee sessions.

Chen Huanyou urged all provincial departments and units to organize their cadres and staff workers to study the documents of the two sessions, and thoroughly understand their guidelines, objectives, guiding principles, missions, and (?instructions).

He said: All departments and units must draw up practical study plans, pay special attention to the documents' major points, and study the documents in conjunction with Jiangsu's actual situation. To make sure that actual results can be achieved, they must integrate the guidelines of the two sessions with studying and implementing the guidelines of the Seventh Plenary Session of the 13th CPC Central Committee, with implementing Jiangsu's 10-Year Program and Eighth Five-Year Plan, and with the formulation of all departmental plans so that the guidelines of the plenary session, the NPC session, and the CPPCC National Committee session can be manifested in actual operations and conduct, and so that the current [words indistinct] of provincial organs can be expedited.

### **Shandong People's Congress Session Opens**

SK1704093991 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 16 Apr 91

[Excerpts] The fourth session of the seventh provincial People's Congress ceremoniously opened at Jinan Zhenzhuquan People's Assembly Hall on the morning of 16 April. [passage omitted]

Amid warm applause, Jiang Chunyun, Li Zhen, Lu Hong, Xiao Han, Wang Shufang, Xu Jianchun, Lin Ping, Yan Qingqing, Li Ye, and Ma Xutao, executive chairmen of the session and executive members of the presidium of the session, went to the rostrum and were seated in the front rows. [passage omitted]

At 0830, Li Zhen announced the opening of the session. [begin Li Zhen recording] Now, I announce that the fourth session of the seventh Shandong Provincial People's Congress is formally open. [applause] [national anthem being played] Now, we are going to invite Governor Zhao Zhihao to deliver a report on the outlines of the Shandong provincial 10-year program for the national economic and social development and the provincial Eighth Five-Year Plan. [end recording]

[Begin Zhao Zhihao recording] Fellow deputies: On behalf of the provincial people's government, I am going to deliver a report on the outlines of the Shandong provincial 10-year program for the national economic and social development and the provincial Eighth Five-Year Plan to the session for examination. Simultaneously, I will ask all members of the provincial committee of the Chinese People's Political Consultative Conference [CPPCC] and all non-voting delegates participating in the session to offer their opinions. [end recording]

Governor Zhao Zhihao's report involves four parts. First is a review of the economic and social development situation in the past decade and during the Seventh Five-Year Plan. Second is the fighting goals and guiding ideologies for the economic and social development in the next 10 years and during the Eighth Five-Year Plan. Third, it is necessary to concentrate efforts on grasping the great matters on the overall economic and social development situation. Fourth, it is necessary to strengthen the building of socialist spiritual civilization, democracy, and legal system; improve the government work level; and comprehensively realize the second-step strategic goals. [passage omitted]

Present at the session as non-voting delegates were some CPPCC members participating in the fourth session of the sixth provincial CPPCC committee and responsible persons of the provincial-level departments and mass organizations.

### **Achievements in Shandong Open Zone Viewed**

SK1504003991 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 13 Apr 91

[Text] Since its opening to the outside world, Shandong Peninsula Economic Open Zone has approved a total of



1,576 items on utilization of foreign capital. The actual investment made by foreign traders totaled \$830 million. There were 297 joint, collective, and foreign-funded enterprises in this open zone. Last year, these enterprises created 1.54 billion yuan of industrial output value, and earned 106 million yuan of foreign exchange through exports, an increase of 108 percent and 238 percent respectively over the previous year.

### Shanghai Leaders Meet Journalists

OW1804222691 Shanghai City Service in Mandarin  
0900 GMT 17 Apr 91

[From the "News and Weather" program]

[Text] The quarterly discussion meeting between municipal, party, and government leaders and journalists was held, for the first time, in the (Xin Ming Building) this morning. Wu Bangguo, the newly appointed municipal party committee secretary; Huang Ju, municipal party committee deputy secretary and executive vice mayor; Chen Zhili, municipal party committee deputy secretary and Propaganda Department head, and others enthusiastically inspected the evening paper building, cordially extending greetings to personnel who were busy in producing that day's evening papers. They then proceeded to the top floor of the building to the main hall where they held a discussion, chaired by Comrade Chen Zhili, with personages of the news circles.

In their speeches, Comrades Wu Bangguo and Huang Ju fully affirmed the industrious efforts made by the news circles in the past year and praised the results achieved by the various newspapers and broadcasting stations in propaganda reporting. They told the gathering that although Shanghai's economy is currently on the way to an overall recovery, the situation still remained grim. They urged the journalists and the media to highlight the results that were achieved in order to further boost the enthusiasm of the masses, saying that it is also necessary to let the masses realize the difficulties so as to further build up their confidence for hard struggle. With propaganda, it is important to aptly integrate continuity, stability, and openness, and to optimally handle the three-in-one relationship among Shanghai's reform, opening to the outside, and development. They earnestly hoped that the journalistic circles would put up a better performance in their work to achieve this common goal in Shanghai by working with one heart and one mind, as if all were crossing the river in the same boat.

### Wu Bangguo Chairs Shanghai Democratic Meeting

OW1604185791 Shanghai City Service in Mandarin  
2200 GMT 15 Apr 91

[From the "Morning News" program]

[Text] The Shanghai Municipal Party Committee invited non-CPC personages to a democratic consultation meeting on 15 April to discuss personnel questions with regard to the Fourth Session of the Ninth Municipal

People's Congress and the Fourth Session of the Seventh Municipal Committee of the Chinese People's Political Consultative Conference.

The meeting was chaired by Wu Bangguo, secretary of the municipal party committee. Luo Shiqian, deputy head of the Organization Department, and Mao Zhiqiong, deputy head of the United Front Work Department of the municipal party committee, spoke on the proposed choice of personnel. Also present at the consultation meeting were Mao Jingquan, Chen Tiedi, and Wang Xing.

Public figures from various communities were invited to attend this meeting. They expressed their views freely and spoke their opinions and suggestions in a vigorous manner. In general, they approved of the choice of personnel as proposed.

Wu Bangguo delivered a speech at the meeting, saying: It is our party's consistent practice to hold democratic consultations with members of democratic parties, people without party affiliation, and public figures from all communities and ask their opinions in dealing with important questions. In Shanghai this practice has become a fine tradition. All can come together and discuss questions sincerely. This enables the municipal party committee to hear opinions and suggestions from all sides and receive their support. By pooling the wisdom and efforts of all, we can make our work a success.

On behalf of the municipal party committee, Wu Bangguo expressed his heartfelt appreciation for the good opinions and suggestions offered by those attending the meeting.

### Wang Qun, Delegation Arrive in Shanghai

SK1604061191 Hohhot Inner Mongolia Regional  
Service in Mandarin 2200 GMT 15 Apr 91

[Text] On 9 April, Huang Ju, deputy secretary of the Shanghai Municipal CPC Committee and executive vice mayor of Shanghai Municipality, met with the delegation from the Inner Mongolia Autonomous Region, headed by Wang Qun, secretary of the Inner Mongolia Autonomous Regional Party Committee.

On behalf of Shanghai's people, Huang Ju first thanked Inner Mongolia for supplying energy resources and raw materials for Shanghai's industrial production, and then discussed Shanghai's situation in industry, raw materials, [words indistinct], and finance. The two sides conducted [words indistinct] on the progress of banking reform.

Shanghai has an advantage in talented people, technology, and port facilities. Inner Mongolia has vast territory, some of the nation's finest underground natural resources and animal husbandry, and is China's base for sheep wool, coal, iron, and steel. If the municipality and the region join hands for mutual development, the prospects will be bright.

Since 1985, the Inner Mongolia Region and the Shanghai Municipality have carried out 45 actions of economic cooperation, of which, nine have been economic items and 36 technological items. At the same time, Inner Mongolia has imported 30 million yuan of funds and four production lines from Shanghai, and Shanghai has conducted technical training for more than 200 persons. In turn, Shanghai has obtained coal, timber, leather, beef, and mutton from Inner Mongolia. Both sides have yielded good economic results.

Attending the reception were Liu Zhenyuan, Xie Lijuan, and Zhuang Xiaotian, vice mayors of Shanghai Municipality; Pei Yingwu, vice chairman of the Inner Mongolia Autonomous Region; and responsible persons of pertinent departments of the two sides.

#### Shanghai Symposium Promoting Development Concludes

OW1304134791 Beijing XINHUA in English  
1307 GMT 13 Apr 91

[Text] Shanghai, April 13 (XINHUA)—The international symposium on "Science and Technology Promoting Economic and Social Development," ended yesterday in Shanghai.

Subjects discussed at the symposium included: Ways to promote the economic and social development by using science and technology; development of Pudong area in Shanghai; regional economic development; and the development of foreign-funded enterprises.

An official from the Shanghai Science and Technology Commission told participants in the symposium that during the last ten years city authorities have paid more attention to using science and technology to develop the economy.

The official said that Shanghai's gross domestic product reached 73.7 billion yuan in 1990, 103 percent higher than that of 1980. The average annual growth rate was 7.3 percent in the 1980-90 period.

At present, Shanghai has established trade and scientific and technological relations with more than 100 foreign countries and regions.

More than 120 experts, scholars, and entrepreneurs from China, the United States, Switzerland, Japan, Venezuela and Hong Kong attended the symposium, which was held from April 9-12.

#### Development of Pudong Zone Continues

##### Brings Changes

OW1504130591 Beijing XINHUA in English  
1214 GMT 15 Apr 91

[Text] Shanghai, April 15 (XINHUA)—A proverb depicting Shanghai residents' living preference says that having a bed in Puxi is preferable to having a house in Pudong.

However, the foundations of this proverb have been challenged ever since the State Council decided to open up Pudong in April 1990.

In the past year, the Pudong Development Zone has made great strides in economic construction, giving rise to great changes in Pudong.

The Huangpu River separates Shanghai, China's leading industrial city, into its east and west parts. The east side is called Pudong and the west side, Puxi. For historical reasons, Puxi is far more economically-developed than Pudong. Until now, citizens in Pudong still say they are going "downtown" when they go to Puxi.

Over the past four decades, nearly 120,000 families have moved from Pudong to Puxi. In 1990, however, more than 2,435 families that had been living in Puxi migrated to Pudong, compared to 124 families from Pudong to Puxi. This is the first time that a large number of Shanghai citizens have moved from the west side of the Huangpu to the east since 1949.

Statistics from the Shanghai Academy of Social Sciences show that the majority of the people who moved to Pudong are workers, technical personnel, cadres, teachers, reporters and actors.

Last year, 124 girls in Puxi married men in Pudong, compared with just a few in the past four decades. Moreover, more than 18 compatriots from Hong Kong and Macao purchased houses in Pudong. In the past, overseas compatriots only bought real estate in Puxi.

According to the Shanghai Municipal Higher Education Bureau, about 10 teachers, doctors and postgraduate students based their research on the geography, population and environment of Pudong. A society for the study of Pudong was also set up in Shanghai's Fudan University last year.

A survey which covers 90 students in the Mathematics Department of the Shanghai University of Science and Technology shows that 76 of them are willing to work in Pudong after graduation.

The Nanpu Bridge, which will link Pudong and Puxi, is expected to be completed by the end of this year. The eight kilometer bridge is the first of its kind in the city. In addition, work on Ningpu Bridge, another bridge over the Huangpu River, will start this July.

Starting from this year, the municipal government will build two roads, an electrical power station, a gas factory and four 10,000-ton berths in Pudong.

##### Commercial Complex Planned

OW1404130591 Tokyo KYODO in English 1240 GMT  
14 Apr 91

[Text] Shanghai, April 14 KYODO—Hong Kong-based distributor Yaohan on Sunday agreed with Shanghai

First Department Store to establish a large-scale commercial complex in Pudong, east Shanghai, [Yaohan] chairman Kazuo Wada said.

This will be the first time an overseas distributor operates a big commercial facility in China, Wada said.

Yaohan will sign a formal contract in September, Wada added. He said the planned high-rise complex will also include a hotel, offices, and apartments for foreign businessmen.

The construction of the commercial complex is scheduled to start next spring. The biggest commercial center in China will open in 1995, Wada said.

Yaohan will invest more than 51 percent of the project's estimated capital of 1 billion U.S. dollars, he said.

China will allow Yaohan the right to use the land for 50 years, Wada added.

The complex will be part of China's Pudong development project, in which a modern industrial, commercial, and financial center is planned on 350 square kilometers of rural land across the Huangpu River from Shanghai.

#### Study Society Established

OW1704103291 Beijing XINHUA in English  
0907 GMT 17 Apr 91

[Text] Shanghai, April 17 (XINHUA)—A Society for the Study of Pudong's Development and Opening to the Outside World was set up in Shanghai yesterday on the eve of the first anniversary of the founding of the development zone.

The society will focus its attention on the study of theory, practice and policies related to the development zone's economy and society. It will provide the zone's policy making departments with a theoretical basis and consultancy services.

The main task of the society is to strengthen links and cooperation with foreign research institutes, and to study the theory and practice employed by foreign countries to open new development zones.

The society will research 34 items this year, of which six will be laws, regulations and policies which will go into effect this year.

#### XINHUA 'Roundup'

OW1804165391 Beijing XINHUA in English  
1525 GMT 18 Apr 91

["Roundup: Pudong New Area Takes Shape"—XINHUA headline]

[Text] Shanghai, April 18 (XINHUA)—Construction of the Pudong new area in China's largest port city of Shanghai is advancing at a rapid pace since it was officially opened to overseas investment only one year ago.

The Pudong new area, a 350-square-kilometer area between the Huangpu River and the East China Sea, is the only lightly populated and the only underdeveloped area remaining in Shanghai, China's largest industrial center. Since the area is also surrounded by water it is widely regarded as a prime location for attracting foreign funds for development.

To date, as many as 12 government banks, including the Bank of China, the Industrial and Commercial Bank of China, and Bank of Communications have opened branches in Pudong. In addition, six foreign banks have applied to open branches.

Construction work on the 8.3 kilometer Napu Highway Bridge, one of the ten key construction projects in Pudong, and on the second phase of a gas plant which will have an annual processing capacity of two million cubic meters, is nearing completion. Three telephone bureaus with over 34,000 telephone lines have also gone into operation.

Other projects, including the Ningpu Highway Bridge, a power plant, two tunnels under the Huangpu River which will link Pudong with downtown Shanghai, a waterworks and four harbors, are either under construction or in the planning stage.

The city has already completed a financial and trade center at Lujiazui, an export-oriented processing base at Jinqiao, and a bonded industrial park at Waigaoqiao. Preparations are now under way for the construction of three additional foreign trade centers.

Many foreign economists and businessmen say that the development of Pudong is a rare investment opportunity, not only for China, but also for the world.

In an effort to attract more investors from both at home and abroad, the Chinese central government drafted regulations providing investors in Pudong even greater preferential treatment than is provided in other parts of China.

Last year, the Shanghai Municipal Government drafted nine regulations concerning development of Pudong, including methods for approving foreign-funded enterprises in Pudong, a directory for industry and investment, and plans for land management, as well as for planning and construction.

The office in charge of development for the Pudong new area has operated with a full agenda since it opened on May 3 last year. Thus far, the office has received 3,000 business and industrial groups comprised of over 15,000 people from throughout the world. One-hundred sixty-eight projects are either being negotiated or are already on stream. The projects involve a total investment of over three billion U.S. dollars, fifty percent of which will come from overseas investors.

The American general manager of a Sino-U.S. joint venture in Pudong described himself as "a bird who has flew to the ground looking for food."

"Many other 'birds' are still hovering aimlessly in the air, and they will be lured to Pudong as a result of my success," he added.

From a long-term point of view, according to Huang Qifan, deputy director of the Pudong Development Office, development of the Pudong new area is designed to allow economic development in Shanghai, as well as the entire Yangtze River Basin, to keep abreast with the economic development in developed countries.

Apart from overseas investors, many Chinese provinces have expressed their desire to co-ordinate efforts in developing the Pudong new area and to take advantage of this opportunity to enhance the local economy.

Zhejiang and Anhui Provinces have drafted concrete measures to establish certain regions in the two provinces as satellites of Pudong.

Development of Pudong also provided new hope for thousands of highly ambitious Chinese. Over 2,500 families moved from the presently flourishing western bank of the Huangpu River, to the eastern bank or Pudong during 1990. At the same time, only 189 families moved from Pudong to the western bank. This marks the first time that the population flow between the banks of the Huangpu River has experienced a reverse ratio since the founding of new China in 1949, according to a local government official.

A sample survey on 90 students who will graduate from the Shanghai University of Science and Technology revealed that 76 of the students said they wanted to find jobs in Pudong after graduation.

In addition, hundreds of Chinese students who are presently studying in the United States said that Pudong is their first choice when they return to China.

Such psychological conditions are bound to provide impetus for the further development of Pudong, said a local economist.

#### Differing Practices Noted

HK1904091391 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1434 GMT 15 Apr 91

[Roundup by reporter Chen Dawei (7115 1129 4850): "Development of Pudong—New Exploration of Reform and Opening Up in China"—ZHONGGUO XINWEN SHE headline]

[Text] Shanghai, 15 Apr (ZHONGGUO XINWEN SHE)—Since the Chinese Government announced its significant strategic policy decision on 18 April 1990 to open up and develop Shanghai's Pudong New District, public opinion has followed with great interest every progress this new district has made. Of particular interest to many people are a number of practices currently in effect in the Pudong New District during the past year which are evidently different from those in

China's other existing special economic zones and coastal economic and technological development zones.

According to observation, practices of Shanghai's Pudong New District which are out of the ordinary are as follows:

—In addition to implementing preferential policies on foreign investment in the light of the experience of places such as the Shenzhen Special Economic Zone, Pudong New District has also been granted approval to carry out some new policies in such fields as setting up a free trade zone; permitting the establishment of foreign financial institutions; allowing foreign businessmen to do business in the district; and running transit trade, retail trade, and other tertiary industries. All these policies have never been put into practice in China's existing special economic zones or coastal economic and technological development zones.

—Ever since the very beginning, Pudong New District has placed the development of the financial industry in an extremely important position. During the second half of last year alone, 10 financial institutions were set up in Pudong, among which were branches of China's five major banks including the Bank of China and the Industrial and Commercial Bank of China. With the addition of foreign financial institutions which are getting ready to enter the district, a considerable financial environment will be created in this district within a short period of time. There will be hundreds of millions of dollars worth capital flowing here, which will undoubtedly play an important role in pushing forward the opening up and development of Pudong.

—During the same year, the district has not carried out any large-scale projects of "seven components of infrastructure and ground leveling," such as projects of building roads and highways, leveling ground, laying various pipelines and wires, and completing standardized factory buildings; construction of infrastructures linking Pudong and Puxi, however, have been stepped up, including cross-river transportation, telecommunications, energy, and electricity.

—It has been established that the new district will center its industrial development on trade, finance, real estate, insurance, consultation, and tertiary industries such as tourism.

When interviewed by this reporter not long ago, Huang Qifan (7806 1142 1581), deputy director of the Pudong Development Office under the Shanghai Municipal Government, gave an explanation on the aforementioned practices. He said: Pudong's development is virtually the development of a city from an elementary to an advanced level. Therefore, the process of realizing modernization also serves as an effective means to readjust Shanghai's urban layout and economic structure, and enable Shanghai to reappear as an important economic, trade, financial, and information center on the western edge of the Pacific Rim. In our efforts to develop Pudong, it is imperative to closely link Pudong with the old urban district of Puxi, which are facing each



other across a river; and rely on the industrial basis as well as scientific and technological strength of Shanghai as a whole. In addition, Pudong's development should also be gradually connected with the world economy. In accordance with this thinking, Pudong has its own development strategies and evaluation standards which are different from those of China's other special economic zones and development zones. It is thus understandable that special importance has been attached to the practical operation of finance, trade, and the construction of infrastructures relying mainly on urban transportation.

Commenting on the new thinkings and practices adopted in the opening up and development of Pudong, people here consider that all these have reflected that China's reform and opening up, which are being promoted and deepened on a constant basis, have entered a maturer period. Many people are optimistic about the prospects of Pudong's opening up and development.

#### **Shanghai Court Sentences, Executes Criminals**

*OW1804025791 Shanghai City Service in Mandarin  
0900 GMT 17 Apr 91*

[Text] Recently, the Shanghai Municipal Intermediate People's Court held sessions in Zhabei, Hongkou, Huangpu, and Baoshan districts to pronounce the crimes committed by a number of criminals; and, following the municipal Higher People's Court's death sentence order, sent them to the execution ground for execution.

The criminals executed included (Ke Xianmin), who robbed the (Jin) family in Shaanxi South Road and killed someone there on 8 December 1990; (Tang Wenlong), who posed as a public security man and used handcuffs, and [words indistinct] to rob others in front of the Huaqiao Store on 19 November 1990; (Zhu Ronggen), who used an axe to kill someone on 18 October 1990 and snatched a 20,000-yuan draft from the (Anshan) City Agriculture Bank; and (Jin Hongwei) and (Wei Shensheng), who robbed local residents' houses and took more than 43,000 yuan, not long after they had previously been released from jail.

#### **Li Zemin Discusses Helping Poor Areas**

*OW1204214591 Hangzhou Zhejiang Provincial  
Service in Mandarin 1000 GMT 11 Apr 91*

[Text] The three-day provincial meeting on helping poor and old revolutionary base areas ended in (Panan) today. The meeting was held to convey and implement related guidelines from the central authorities, sum up this province's experiences in helping poor and old revolutionary base areas, and make arrangements for work during the Eighth Five-Year Plan. Li Zemin, secretary of the provincial party committee, attended and spoke at the meeting.

Comrade Li Zemin fully affirmed this province's achievements in the work of helping poor and old revolutionary base areas during the Seventh Five-Year

Plan and pointed out existing problems. Li Zemin said: The provincial party committee and the provincial people's government have studied and decided on the objectives of the work of helping poor and old revolutionary base areas during the Eighth Five-Year Plan. They are: By 1995, the problem of enabling people in those areas to have enough to eat and enough to wear should be solved in a stable manner. More than 90 percent of poor families should have a per capita annual income of 500 yuan and a per capita grain allocation of 250 kg. Foundation facilities and production, and peasant living conditions in poor areas should be significantly improved. Education, science, technology, culture, and public health work should be further developed. The cultural, technological, ideological, and moral quality of the masses should be substantially improved.

In order to realize those objectives in the next five years, Li Zemin pointed out: It is necessary to clearly understand the guiding principles for helping poor and old revolutionary base areas, correctly handle the relationship between enriching a county and enriching the people, and emphasize the people's enrichment. He said: It is necessary to properly handle the relationship between providing and creating funds and to emphasize the ability to create funds. It is necessary to properly handle the relationship between developing industry and developing agriculture and to grasp agricultural production as an industry of primary importance. It is necessary to properly handle the relationship between maintaining a certain speed of production and strengthening the construction of foundation facilities, embarking on building necessary foundation facilities by acting in accordance with the capabilities of various localities. It is necessary to improve basic conditions for sustained economic development. It is necessary to properly handle the relationship between helping poor areas and helping people improve their knowledge, stressing the heightening of the people's ideological, moral, cultural, and technological quality. It is necessary to properly handle the relationship between outside assistance and supporting oneself through one's own efforts, encouraging people to build their home villages and improve economic conditions through their own efforts. It is necessary to conscientiously formulate plans for helping poor and old revolutionary base areas during the Eighth Five-Year Plan. Various cities, prefectures, and counties should consider the work of helping poor areas as a part of promoting overall national economic and social development. It is necessary to continue to support poor areas with proper policies, funds, and materials and to further strengthen the work of using science and technology to help the poor.

Li Zemin pointed out: During the Eighth Five-Year Plan, it is necessary to extensively mobilize all forces, including state organizations and various trades in society, to show concern and support for economic construction in poor areas. During the Eighth Five-Year Plan, the province will emphasize helping Wencheng, Taishun, three other poor counties, and some poor

villages and towns in old revolutionary base areas in Yongjia, Qingtian, and Wuyi counties.

### Attends Family Planning Meeting

OW1704152991 Hangzhou Zhejiang Provincial Service in Mandarin 0900 GMT 15 Apr 91

[From the "Provincial Hookup" program]

[Text] On behalf of the provincial government, Governor Ge Hongsheng signed responsibility contracts on family planning management and targets in 1991 with the leaders of 11 cities and prefectures of the province at a provincial family planning commendation meeting held today. The meeting also awarded and commended the collectives and individuals credited with advanced performances in carrying out family planning policy during the Seventh Five-Year Plan.

On behalf of the provincial party committee and the provincial government, Li Zemin, secretary of the provincial party committee, attended the meeting to offer congratulations and express solicitude. He said: As our province is still in a period of a peak birthrate, the principal leaders of the party committees and governments at all levels must assume full responsibility for the work to carry out family planning policy. The actual performance of party and government cadres in carrying out family planning policy must be included in the appraisal of their work. It is necessary to enhance their sense of responsibility, implement the responsibility system, and actually carry out every task.

This morning, the provincial government conferred the honor of Red-Banner Unit on 60 collectives, including Jiashan County, for their outstanding performance in carrying out family planning work in the province; Advanced Collective on 374 units, including Shangyu County, for their outstanding performance in such work; and Model Laborers on 30 comrades, including (Wang Pei), for their outstanding performance. In addition, 633 personnel specializing in family planning work over a long period of time were awarded certificates of merit.

Liu Yifu, Li Yuhua, Shang Jingcai, (Chen Yuexing), (Yang Kuifu), vice minister of the State Family Planning Commission, and other leaders attended the meeting.

### Central-South Region

#### Prospects for Economic Development in Guangzhou

OW1704005491 Beijing XINHUA in English 0043 GMT 17 Apr 91

[Text] Guangzhou, April 17 (XINHUA)—South China's Guangzhou city generated a first quarter industrial output value of over 10.7 billion yuan, up 21.8 percent over last year's same period.

At today's press conference a city government official announced the retail sales volume in the Guangdong provincial capital amounted to 4.31 billion yuan, up 17.26 percent over the same period last year. In addition, exports reached 320 million U.S. dollars, up 19.8 percent.

The local government approved 148 Sino-foreign co-operation contracts involving 162 million U.S. dollars during the first three months of 1991, a 52.9 percent increase.

The consumer price index has fallen, while the net income of local residents has increased and bank savings deposits are on the rise, according to the official.

While outlining the city's major targets for the next ten years, the official said the city will increase its gross domestic product (GDP) at an annual rate of seven percent and will realize the goal of quadrupling the GDP by 1995.

The annual income of urban dwellers is expected to increase by four percent, while that of rural residents will rise 3.5 percent. The official reported that per capita living space will be expanded to 10 square meters.

The growth rate of exports is also expected to be higher than that of domestic output growth.

The city plans to make optimum use of 2.5 billion U.S. dollars in foreign funds during the country's Eighth Five-Year Plan period (1991-95).

The official said that priority will be given to intensive and high profit processing industries, as well as to agricultural, power production and raw material, transportation and tertiary industries.

#### Computer Base Built in Guangdong's Huizhou City

OW1804080691 Beijing XINHUA in English 0612 GMT 18 Apr 91

[Text] Beijing, April 18 (XINHUA)—The construction of "Shouhua Science Garden", China's largest computer research, development and production base, has recently begun in Huizhou City, Guangdong Province in south China, according to today's GUANGMING DAILY.

The garden is jointly funded by Huizhou City, a Hong Kong scientific research company and the Beijing Xianfeng Group. It is the first intelligence-intensity project invested by a Hong Kong firm in Guangdong.

The garden will mainly engage in designing various computers and electronic products. Its first phase of construction is scheduled to be completed in June of this year when it can produce 300,000 sets of various computers, which will mainly be for export.

**Guangxi's Foreign Investment, Relations Grow***OW1704144891 Beijing XINHUA in English  
1316 GMT 17 Apr 91*

[Text] Nanning, April 17 (XINHUA)—Southwest China's Guangxi Zhuang Autonomous Region has made great strides in using foreign investment and developing trade relations with the outside world in the past decade.

Sources from the regional government said that up to now, the autonomous region has sealed 760 contracts involving a total of 1.42 billion U.S. dollars of foreign investment.

The countries and regions with which these contracts have been set up include Singapore, the United States, Japan, Thailand and Australia as well as Hong Kong, Macao and Taiwan.

Guangxi, rich in mineral sources, has its advantages in attracting foreign investment with regards to energy exploration and capital construction. Construction materials, light industry, textile industry, machinery, chemical industry and tourism represent potential cooperative fields, according to the sources.

The latest statistics showed that there are now 203 enterprises with foreign investment in the region.

Equipment and technology imports have also increased in the past few years. The import of technology, mostly from Hong Kong and Macao, has been conducive to overhauling of old industrial enterprises and raising of production efficiency.

Since 1980, the autonomous region has signed 207 labor contracts with 14 countries and regions in Africa, South-east Asia and North America, earning 210 million U.S. dollars. The contracted overseas projects are primarily concerned with farms, sugar mills, water electric power stations, sports gymnasiums and hospitals.

The region has established trade and economic relations with more than 130 countries and regions and more than 5,000 of the world's business centers.

Among the 32 kinds of export commodities which respectively earn the region more than five million U.S. dollars each year are: tin, rosin, canned food, granulated sugar, fireworks and bamboo products.

**Hainan Absorbs 5.5 Billion Yuan in Investment***OW1804080491 Beijing XINHUA in English  
0734 GMT 18 Apr 91*

[Text] Haikou, April 18 (XINHUA)—South China's Hainan Province has absorbed investments amounting to 5.5 billion yuan from other parts of China and overseas investors since the island province was set up as a special economic zone in 1988.

Statistics released by the provincial government show that the province used actual overseas capital totalling

479 million U.S. dollars in the past three years, including 322 million U.S. dollars in direct foreign investment.

Meanwhile, investors from other parts of China invested about three billion yuan in 4,590 joint-venture enterprises on the island.

A provincial official said the 5.5 billion yuan investment accounted for about 66 percent of the province's total investment in fixed assets during the past three years, amounting to 54 percent of the total investment in state-owned fixed assets in Hainan during the period between 1952 and 1987.

The official noted that the industrial output value generated by the enterprises funded by investors from outside the province exceeded 740 million yuan in 1990, accounting for 25.6 percent of the total.

According to statistics, these enterprises exported 340 million U.S. dollars-worth of products in 1990, which amounts to more than 50 percent of the province's total export earnings.

**First-Quarter Statistics***OW1704220791 Beijing XINHUA in English  
1504 GMT 17 Apr 91*

[Text] Haikou, April 17 (XINHUA)—Recent statistics show that 87 foreign-funded enterprises were approved in Hainan during the first quarter of this year, up 2.3-fold over last year's same period.

Investment in the newly formed enterprises reached 207.84 million U.S. dollars, 8.7 times the figure for the same period last year.

In addition, the foreign funded enterprises which are operational have exported products valued at 11.04 million U.S. dollars.

The province now ranks third in the country with 1,474 foreign-funded enterprises—following Guangdong and Fujian Provinces. Total contracted foreign investment stands at 1.23 billion U.S. dollars.

Foreign investments in the province have assumed the following characteristics:

- Investments in Hainan Special Economic Zone not only originate from businessmen, but also come in the form of loans from foreign government loans. At the same time, international economic and technical co-operation projects are common in the province.

- Increasing numbers of Taiwanese businessmen have exhibited an interest in investing in the province. Statistics show that the province now has 89 Taiwanese funded enterprises, which involve investments of over 37.55 million U.S. dollars—second only to Hong Kong.

—In 1990, foreign-funded enterprises exported products valued at over 33 million U.S. dollars, up 27.3 percent over the 1989 figure.

XINHUA has learned that the province expects to attract an additional 200 million U.S. dollars in investments during 1991, an expected 16 percent increase over last year. In addition, export earnings are expected to reach 50 million U.S. dollars, a 51 percent increase over 1990 exports of 33 million U.S. dollars.

### **Henan's Hou Zongbin Warns Against Poor Work**

*HK1804005591 Zhengzhou Henan Provincial Service  
in Mandarin 2158 GMT 13 Apr 91*

[Text] Provincial party committee Secretary Hou Zongbin stressed at the provincial work conference on policy study: It is necessary to advocate guarding against three undesirable ideological tendencies and making sure assigned tasks will be accomplished, making real efforts, doing solid things, and seeking practical results.

He pointed out: The above are requirements, which were advanced by the provincial party committee, are based on a summation of Henan's historical experiences as well as tasks to be fulfilled under the present situation.

The requirements and tasks are of great realistic significance at present.

Hou Zongbin said: While trying to prevent subjectivism, it is necessary to pay particular attention to the following.

We must guard against making policy decisions in accordance with experiences, documents, and feelings.

In assessing cadres, we must guard against judging them by a single act, a short period of their lives, or our own taste.

In making analyses, we must guard against looking only at the surface rather than the essence of things or mistaking the nonessentials for essentials.

In providing guidance, we must guard against rigid uniformity and considering ourselves always in the right.

Hou Zongbin continued: To guard against formalism, the most important thing is to adopt a correct attitude toward personal fame, gain, and achievements. Specifically, when implementing instructions from higher authorities and assigning work, we must not forget to provide concrete guidance and do painstaking ideological work while making a universal appeal. We must guard against making empty statements.

When checking up on work and giving guidance, we must listen to both bad and good news. We must not only appreciate the plan and forget to make the plan practicable.

In carrying out specific work, we must guard against shortsighted behavior, being overanxious for quick results, and employing trickery.

To eliminate bureaucracy, we must guard against: First, remaining on the surface rather than going deep into the realities of life and among the masses; second, acting like an overlord and keeping ourselves aloof from the masses; third, officialism; and fourth, indulging in loud and empty talk.

Hou Zongbin pointed out: Preventing subjectivism, formalism, and bureaucracy are our requirements while making sure that assigned tasks will be accomplished, making real efforts, doing solid things, and seeking practical results are our objectives.

The broad masses favor and support the ideological guidance for doing work, objectives to be achieved, and important measures defined by the provincial party committee and government. The problem is how they will be put into effect. The key to putting these into effect lies in building a leadership lineup which will perform its duties in accordance with the party spirit and forge ahead in unity.

As things stand now, to put the above into effect, we must clearly tell the masses and cadres our tasks, objectives to be achieved, and related measures, and provide them with concrete experiences and methods which can serve as reference so they will know what they will do and how.

Without strenuous and unremitting efforts and an enterprising spirit, rejuvenating Henan would be out of the question. To make real efforts, we must be aware of our advantages and deepen our conviction. Recently we have set up 20 units on the industrial and agricultural fronts as red banners from which other units may learn. Their experiences fully show that what others have accomplished we can also accomplish.

We make real efforts in order to do solid things. The masses are realistic. As long as we make real efforts to solve difficulties for them, they will welcome and support us genuinely and sincerely.

To do solid things we must make thorough investigations. In the work concerning cadres, we must display the party spirit and follow the principle of appointing cadres by virtue of how they acquaint themselves politically.

Hou Zongbin pointed out: Making sure that assigned tasks will be accomplished, making real efforts, and doing solid things are designed to achieve practical results. To seek practical results, we must guard against short-sighted behavior characterized by eagerness for quick success and instant benefit and effect an upswing in economic construction, whose social effect also calls for our attention.

The offense rate and the increase or decrease in the number of complaints show whether the society is stable. The increase and decrease in the birth rate, the additional births rate, and the population growth rate show whether or not the family planning is successful.



Party building lies in the unity of the leadership lineup and how the vanguard and exemplary role of party members is brought into play. It is necessary to judge the work in every field by the practical results.

#### Attends Peony Fair

HK1704035991 Zhengzhou Henan Provincial Service in Mandarin 2200 GMT 15 Apr 91

[Excerpts] The Ninth Luoyang Peony Fair began yesterday [15 April]. [passage omitted]

The opening ceremony was attended by a total of more than 1,400 people, including state leaders such as Ma Wenrui and Wang Enmao, vice chairmen of the National Committee of Chinese People's Political Consultative Conference; responsible comrades of the relevant state ministries and commissions; responsible comrades of fraternal provinces and municipalities; Henan Provincial CPC Committee Secretary Hou Zongbin; Henan Provincial Governor Li Changchun; party, government, and military leaders of Luoyang City; responsible comrades of provinces or cities which have established friendly ties with Henan Province or Luoyang City; responsible comrades of 17 prefectural and city delegations from within Henan Province; Henan's economic and trading partners, as well as Chinese and foreign reporters. [passage omitted]

Since 1983, a total of eight Luoyang Peony Fairs have been held, during which Luoyang has received 23 million foreign and domestic tourists. The business volume of the six economic and technological trade fairs, which had been held concurrently, reached 3.3 billion yuan.

#### Commentary Stresses Fulfillment of Tasks

HK1704041791 Zhengzhou Henan Provincial Service in Mandarin 2200 GMT 15 Apr 91

["News Center commentary:" "The Key Lies in Making Earnest Efforts To Strengthen Implementation"]

[Excerpts] It is the warm spring season now. The fourth session of our province's seventh people's congress successfully ended not long ago. The Fourth Session of the Seventh National People's Congress also concluded recently. We are now confronted with the second-stage strategic goals and the blueprint for the Eighth Five-Year Plan and the 10-Year Program. [passage omitted]

Strengthening implementation and doing more practical things are thereby of vital importance at present. Only by so doing will we be able to win the trust of the people, boost morale, and realize Henan's grand blueprint step by step. In order to strengthen implementation, first and foremost, we should make earnest efforts. This requires that our cadres should be in a good state of mind. [passage omitted]

During his inspection in our province, Comrade Jiang Zemin reminded the cadres of our province, saying: Some failures are not caused by an erroneous train of

thought or views but, very often, by inefficient work. He also demanded that party committees and governments at all levels fulfill their tasks level by level, step by step, and link by link and that work arrangements be made and work examination conducted. He said: We should mean what we say and honor what we promise. The general secretary's remarks are a powerful impetus for our implementation work. [passage omitted]

Making earnest efforts means we should exert our utmost, work untiringly, concentrate all our efforts, and work with one heart and one mind. [passage omitted]

At present, in deepening reform, invigorating large and medium-sized enterprises, carrying out socialist education, building spiritual civilization, increasing a city's economic results, or reaping a good agricultural harvest in a rural village, the grassroots level is facing a host of problems which demand prompt solution. Therefore, we must take some specific and effective measures to tackle these problems step by step and on the basis of investigation and research. [passage omitted]

With a blueprint in our hands and a heavy task on our shoulders, we must make earnest efforts to strengthen implementation, this being a demand of the times and a call of the people. [passage omitted]

#### Hunan's Xiong Qingquan Relays Jiang Zemin Speech

HK1804053591 Changsha Hunan Provincial Service in Mandarin 2200 GMT 15 Apr 91

[Text] On 14 April the Hunan Provincial CPC Committee held, in their auditorium, a meeting attended by prefectural, autonomous prefectural, and city party committee secretaries; principal responsible comrades of various departments, commissions, offices, and bureaus directly under the provincial authorities; principal responsible comrades of Changsha-based scientific research and designing units at provincial department or bureau level; and principal responsible comrades of Changsha-based higher learning institutions to study how to implement and carry out in depth the spirit of the important speech made by General Secretary Jiang Zemin during his inspection in Hunan.

Provincial party committee Secretary Xiong Qingquan presided over the meeting. Provincial party committee Deputy Secretary and provincial Governor Chen Bangzhu relayed General Secretary Jiang's important speech.

Provincial party, government, and military leading comrades, including (Yang Zhengwu), Dong Zhiwen, Pang Weiqiang, Xia Zanzhong, (Wang Zhiguo), (Zhao Shuqi), (Shi Jinshan), and others attended the meeting.

Comrade Xiong Qingquan put forth four views on how to implement and carry out the spirit of General Secretary Jiang's important speech. He said: General Secretary Jiang's speech made during his inspection in Hunan is of great importance and has extremely rich contents. Quite a few of his important instructions are applicable to not only Hunan

but also the whole country and are thereby of far-reaching and universal guiding significance. Conscientiously studying, implementing, and carrying out the spirit of General Secretary Jiang's speech is of great importance to pushing ahead with our provincial work at present and in the future. The provincial party committee calls on party committees at and above the county level to conscientiously organize study and discussion in this regard and study proposals on implementing and carrying out this spirit in light of local conditions.

He continued: In accordance with General Secretary Jiang's instruction on strengthening theoretical and political study and research, the provincial party committee now calls on party committees and leading party groups at and above the county level to spend one year conscientiously studying socialist theories, starting from the first half of this year. Meanwhile, they should draw the following four clear lines of demarcation through studying the basic socialist theory and the basic socialist practice, which were advanced by the Seventh Plenary Session of the 13th Party Central Committee: a clear line of demarcation between socialism and capitalism; a clear line of demarcation between scientific socialism and democratic socialism; a clear line of demarcation between socialist democracy and capitalist democracy; a clear line of demarcation between proletarian ideology and bourgeois ideology. Leaders at all levels must keep a close watch over the changing international situation; remain sober-minded; and comprehend and master the principles, policies, and strategies adopted by the central authorities in handling international affairs to keep informed and maintain necessary political vigilance and national integrity in international intercourse. Opposing peaceful evolution is a long-term struggle. As long as antithesis and struggle between two social systems and two ideologies in the world exist and as long as class struggle within a certain scope and antiparty and antisocialism political forces in our country exist, the struggle against peaceful evolution will continue unabated. Therefore, we should be ideologically ready to carry on this long-term struggle. The more we carry out reform and opening up, the more we should step up political and ideological work and persist in the struggle against peaceful evolution. Now that the question of social order has been put forward as a political one, as far as the whole province is concerned, we are facing an extremely arduous task in this regard. Some factors of instability have also manifested themselves. Thus, party committees and governments at all levels must earnestly maintain social stability and waste no time in tackling problems when they crop up in order that problems can be solved in the embryonic stage.

When speaking of socialist ideological education work in rural areas, Comrade Xiong Qingquan said: General Secretary Jiang fully affirmed the socialist ideological education work carried out by our province in rural areas. In accordance with General Secretary Jiang's instruction, we should always bear in mind the following principles: 1) Under no circumstances should there be any wavering regarding the

ideology and guiding principle of agriculture as the basis; 2) To stabilize various responsibility systems, mainly the contract responsibility system on a household basis with remuneration linked to output, for a long time to come; 3) To gradually perfect the bilevel operational structure combining centralization and decentralization; 4) To continue to integrate agriculture with science and education and push ahead with comprehensive development and progress of rural areas.

Comrade Xiong Qingquan pointed out: On the question of agriculture, we must strengthen determination; rely on science and education; readjust structure; improve quality; invigorate circulation; take the road of good quality, high output, low cost, and increased income; take the road of comprehensive development of grain production, economy, and enterprises; and take the road of comprehensive exploitation, expanded production, as well as broad and in-depth production development.

On the question of invigorating state-run large and medium-sized enterprises through all means, Comrade Xiong Qingquan stressed: It is necessary to combine the efforts of both high and low levels as well as foreign and domestic efforts. The departments in charge at higher levels must do all they can to help enterprises improve the external environment. At present, efforts must mainly be centered on tackling the following three problems:

1. To conscientiously implement the 10 powers delegated by the State Council to enterprises and conscientiously examine situation in this connection;
2. To try in every way to help enterprises raise funds, invigorate circulation, and tackle the problem of triangle debts;
3. To be determined to implement the instructions of the central authorities and the State Council and practically lighten the burden of enterprises.

On the other hand, enterprises should try to tap their latent potentialities, pay more attention to work at lower levels, deepen reform, optimize structure, strengthen management, and speed up transformation, especially technological transformation. Technological transformation should be regarded as a strategic measure aimed at invigorating large and medium-sized enterprises and should be firmly and successfully carried out in a down-to-earth manner.

On the question of training cadres and building an honest and clean government work style, Comrade Xiong Qingquan emphatically pointed out: The next decade is a crucial decade for cadre training. Therefore, we should regard cadre training as an important strategic task. We must select and promote cadres from among people coming from all corners of the land and adhere to the principle of stressing both moral integrity and professional competence. General Secretary Jiang was deeply moved by the fact that six members of Comrade Mao Zedong's family had sacrificed their lives for the revolution and by the letter written by Comrade Mao

Anying [Mao Zedong's son] to his uncle. He read aloud once again Comrade Mao Anying's letter at the report meeting. We must conscientiously comprehend what he meant and must carry out the three-review activities among the broad masses of cadres on the basis of the ongoing three-learning activities. The three reviews are: to review the two-musts instruction given by Comrade Mao Zedong at the Second Plenary Session of the Seventh CPC Central Committee; to review To the Memory of the 300th Anniversary of the 1644 Peasant Uprising; to review Comrade Mao Anying's letter to his uncle. We must make earnest efforts to practically strengthen our province's clean government-building.

### Hunan Holds Meeting on Political, Legal Work

HK1804042891 Changsha Hunan Provincial Service in Mandarin 2200 GMT 15 Apr 91

[Excerpts] The provincial party committee's political and legal work committee held a province-wide telephone meeting on political and legal work yesterday afternoon to arrange for the launching of a concentrated crackdown in certain areas of the province as well as further promoting social order comprehensive harnessing work.

At the meeting, (Ji Wenbo), deputy secretary of the provincial party committee's political and legal work committee, and Qi Zhenying, deputy secretary of the provincial party committee's political and legal work committee and chief procurator of the provincial people's procuratorate, pointed out: By and large, our province has been able to maintain social stability. Nevertheless, we must fully understand the seriousness of the present social order problem as well as the necessity to further the struggle in severely cracking down on crimes. The provincial party committee's political and legal work committee decided that a concentrated crackdown should be launched, starting now, in areas where social order is under serious threat. The crackdown should mainly be directed at cities, townships, towns, and internal units which have been plagued by serious criminal activities and social order problems; at communications lines which have been frequented by robbers and gangsters; and at places where the situation is complicated and in disorder. The crackdown is mainly aimed at criminals who commit such crimes as homicide, robbery, dynamiting, rape, gun stealing, and armed criminal activities. [passage omitted]

At the telephone meeting, provincial party committee Deputy Secretary Sun Wensheng called on political and legal work departments at all levels to exert their utmost to tackle the serious current social order problems, firmly strengthen implementation, raise the work standard, and speed up work efficiency.

(He Wenqing), deputy secretary of the provincial party committee's political and legal work committee, presided over the telephone meeting.

Zhan Shunchu, deputy secretary of the provincial party committee's political and legal work committee and president of the provincial higher people's court; responsible comrades of the provincial public security, procuratorial, judicial, and justice departments; and responsible comrades of the provincial armed police corps attended the meeting.

### Southwest Region

#### Liu Zhengwei at Meeting on Social Order

HK1804140191 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 15 Apr 91

[Excerpts] The provincial conference on social order comprehensive harnessing and political and legal work, which was held jointly by the provincial party committee and the provincial government, began in Guiyang yesterday.

The conference was presided over by provincial party committee Secretary Liu Zhengwei.

Provincial Governor Wang Chaowen made a report entitled: Deepen Understanding, Join Hands in Comprehensive Harnessing, Strive to Create a Fine Social Environment for Economic Construction, Reform, and Opening Up.

Wang Chaowen's report fully affirmed the successful experiences accumulated by our province in mobilizing the whole party, the whole people, and all walks of life in society to carry out social order comprehensive harnessing through cooperation and coordination and also set forth a number of tasks to be fulfilled in the present period.

Wang Chaowen said: This year is not only the first year for implementing the 10-year National Economic and Social Development Program and the Eighth Five-year Plan but also the first year for implementing our province's Five-year Social Order Comprehensive Harnessing Plan. In order to strengthen social order maintenance work, the provincial authorities and various prefectures, autonomous prefectures, cities, counties, townships, towns, and neighborhoods must further perfect organizations and institutions specializing in comprehensive harnessing, strengthen leadership and management at all levels, integrate responsibilities, powers, and interests, conduct work examination and appraisal at regular intervals, achieve good results at an earlier date, and fulfill various comprehensive harnessing tasks in a down-to-earth manner.

Wang Chaowen said: This year, it is necessary to actively carry out activities aimed at fulfilling social order maintenance quotas. Relevant responsibility contracts should be signed at all levels between party leaders and government leaders, between party and government leaders on the one hand and various departments and units on the other, as well as between factory directors (managers) on the one hand and workshop and work team responsible persons on the other. [passage omitted]



In his report, Wang Chaowen stressed: It is necessary to give full scope to the role played by political and legal departments as well as to the role played by public security departments in social order comprehensive harnessing. Political and legal organs at all levels, especially public security departments, must give top priority to social order comprehensive harnessing work at present and must crack down on all types of law-violation and criminal activities in accordance with the law, continue to carry out struggle of cracking down on serious crimes, and tackle thorny problems relating to social order maintenance in a timely manner. [passage omitted]

### **Charges of Tibet Nuclear Pollution 'Groundless'**

OW1804115591 Beijing XINHUA in English  
1126 GMT 18 Apr 91

["Accusations of Nuclear Pollution in Tibet Groundless (Tibet's Today and Yesterday Backgrounder)"—XINHUA headline]

[Text] Beijing, April 18 (XINHUA)—The accusations of some foreigners that Tibet has suffered from nuclear pollution because the Chinese Government has deployed nuclear weapons and dumped nuclear wastes in Tibet are "totally groundless," according to a document released by the China Nationalities Affairs Commission.

Reasonable development and exploitation of natural resources and the protection of ecological environment have been regarded by the Chinese Government as a basic national policy in the course of drafting national economic and social development plans. In fact, laws and legal regulations have been formulated and enacted in this regard.

Consequently, the regulations of the Tibet Autonomous Region on protecting forests has been drawn up, and the Qomolangma Nature Preserve and the Tibet Wildlife Preserve have been established.

An environmental protection committee was also set up in the Tibet Autonomous Region so as to organize and coordinate the environmental protection work throughout the autonomous region.

Since the current economic development in Tibet is mainly focused on agriculture and animal husbandry, and its energy development on geothermal and hydro-electric power, there has been little environmental pollution compared with other parts of the country.

### **Yunnan's Pu Chaozhu Speaks on Religious Work**

HK1904093991 Kunming Yunnan Provincial Service  
in Mandarin 2200 GMT 15 Apr 91

[Text] At a provincial religious work meeting that opened yesterday [15 Apr], provincial party secretary Pu Chaozhu pointed out: In the days to come, party committees and governments at all levels in our province should conscientiously implement the party's religious policy to protect the rights of people of various nationalities to their freedom in

religious belief, consolidate and develop our patriotic united front work with the religious circles, administer religious affairs according to law, stop and deal blows at law-breaking and criminal activities under the cloak of religions, and resolutely resist infiltration by forces outside the borders in religious clothing.

Pu Chaozhu continued: Ours is a multinational and multi-religious border province in which the religious issue is closely linked with the nationality problem. Working hard to do religious work well is of great importance to protecting the solidarity of various nationalities, stabilizing our border areas, and promoting our economic and social development. Therefore, party committees and governments at all levels should take Marxist views on religions as a guide to persist in implementing the party's religious policy in a protracted, all-round, and accurate manner. They should strengthen leadership over religious work and carry out propaganda and educational work among party and government personnel at all levels, so that they can develop a sense of responsibility for the party and the people, overcome short-term behavior, properly handle relations between religious work and other work, promptly solve existing problems, unite with the broad masses of patriotic personnel in the religious circles, further play their role in serving as a bridge between the party, government, and the masses with religious belief, and make a joint contribution to promoting social stability and economic development in our province.

### **North Region**

#### **Xing Chongzhi Attends Hebei CPPCC Session**

SK1904100791 Shijiazhuang Hebei Provincial  
Service in Mandarin 2200 GMT 18 Apr 91

[Summary from poor reception] The fourth session of the Sixth Hebei Provincial Committee of the Chinese People's Political Consultative Conference [CPPCC] opened at Shijiazhuang, the capital city of the province, on the morning of 18 April. A total of 627 members attended the session.

"Leading comrades of the provincial party committee, advisory commission, People's Congress, government, military district, and people's procuratorate were invited to attend the opening ceremony. They were Xing Chongzhi, Cheng Weigao, Lu Chuanzan, Li Bingliang, Yang Zejiang, Guo Zhi, Ye Liansong, Chen Yujie, Li Haifeng, Han Licheng, Yue Zongtai, Liu Ying, Wang Youhui, Hong Yi, Du Benjie, Bai Shi, Song Shuhua, Zhang Runshen, Gu Erxiong, Li Feng, (Zhang Fengjiao) and Liu Zongxin."

"At the opening ceremony, members applauded to show approval of the agenda of the session: 1) to hear and discuss the work report of the Standing Committee of the sixth Hebei Provincial CPPCC Committee, 2) to hear and discuss the report of the motions committee of the provincial CPPCC committee on the work related to the



motions submitted since the third session of the sixth Hebei Provincial CPPCC Committee, 3) to attend the People's Congress session as nonvoting delegates, and to hear and consult on the report on the outlines of the 10-year program and the Eighth Five-Year Plan for the economic and social development of Hebei Province, 4) to hear and consult on the report on implementation of the Hebei Provincial 1990 economic and social development plan and the 1991 draft plan, and to hear and consult on the report on implementation of the Hebei Provincial 1990 budget and the draft 1991 budget, 5) to hear and consult on the work report of the Hebei Provincial Higher People's Court and the work report of the Hebei Provincial People's Procuratorate, 6) to elect additional members of the Standing Committee of the sixth Hebei Provincial CPPCC Committee, and 7) to approve the various resolutions of the fourth session of the sixth Hebei Provincial CPPCC Committee and the report on the examination of motions."

Wang Zuwu, vice chairman of the provincial CPPCC Committee, gave a report on the work of the Standing Committee of the sixth Hebei Provincial CPPCC Committee. He said in the report: Since last year, the provincial CPPCC committee has conscientiously studied and implemented the guidelines of the relevant documents of the CPC Central Committee and the national united front work conference, further strengthened its functions of consultation and supervision, improved the quality of consultation and supervision, and conducted special investigations to serve economic construction. It has expanded overseas friendly contacts, and strengthened its contacts and guidance to city and county CPPCC committees.

Wang Zuwu called for efforts to achieve success in six aspects of work in 1991: 1) to continue to implement the guidelines of the relevant documents of the CPC Central Committee and the national united front work conference, and further consolidate and develop the patriotic united front, 2) to continuously improve the political quality of CPPCC members and their level of participation in, and discussion of, government and state affairs, 3) to actively participate in economic construction, and suggest ways and means to the economic development of the province, 4) to comprehensively raise work quality, and strengthen the functions of consultation and supervision, 5) to improve the provincial CPPCC committee itself, and 6) to further strengthen the contacts with city and county CPPCC committees and the leadership over their work.

### Hebei Congress Standing Committee Meeting Ends

*SK1804135691 Shijiazhuang Hebei Provincial Service in Mandarin 2200 GMT 17 Apr 91*

[Excerpts] The 20th meeting of the seventh provincial People's Congress Standing Committee ended in Shijiazhuang on the morning of 17 April.

The meeting approved, in principle, the work report of the Standing Committee of the provincial People's Congress.

The meeting defined that on behalf of the provincial People's Congress Standing Committee, Chairman Guo Zhi will submit this report to the fourth session of the seventh provincial People's Congress. [passage omitted]

In the methods of secret balloting and by a show of hands, the meeting also approved items of personnel appointments and removals.

The meeting decided to appoint (Wang Hongyan) as director of the provincial personnel affairs department; (Song Mingkun), director of the provincial labor department; (Cheng Zhentai), chairman of the provincial foreign affairs and Overseas Chinese affairs office; (Li Guohua), chairman of the Shijiazhuang Prefectural work committee of the Standing Committee of the Hebei Provincial People's Congress; (Geng Shangzhuang), chairman of the Zhangjiakou Prefectural work committee of the Standing Committee of the provincial People's Congress; (Li Mengqing), chairman of the Chengde Prefectural work committee of the Standing Committee of the provincial People's Congress; (Shen Zhiming), chairman of the Cangzhou Prefectural work committee of the Standing Committee of the provincial People's Congress; (Liang Mingyue), vice chairman of the Shijiazhuang Prefectural work committee of the Standing Committee of the provincial People's Congress; (Wang Biao), vice chairman of the Zhangjiakou Prefectural work committee of the Standing Committee of the provincial People's Congress. The meeting also decided to remove (Zheng Shanmu) from the post of chairman of the provincial foreign affairs and Overseas Chinese affairs office.

Guo Zhi, chairman of the Standing Committee of the provincial People's Congress, chaired the meeting. Vice Chairmen Yue Zongtai, Liu Ying, Wang Youhui, Hong Yi, Zou Renjun, Du Benjie, and Bai Shi; and Secretary General Li Tie attended the meeting. [passage omitted]

### Inner Mongolia's Industry, People's Income Up

*SK1904085791 Hohhot Inner Mongolia Regional Service in Mandarin 2200 GMT 18 Apr 91*

[Summary] The 1980's marked a period in which people of various nationalities of our region received the greatest real benefits. The per capita cost-of-living income of urban people rose from 370 yuan in 1980 to 1,050 yuan in 1990, an increase of 1.84 times, and the net income of peasants and herdsmen from 192 yuan to 667 yuan, an increase of 2.47 times. According to a survey of pertinent departments, of every 100 urban households of our region, 56 had color television sets, 67 had black-and-white television sets, 78 had washing machines, and 64 had recorders; and out of every 100 peasant households, five had color television sets, 37 had black-and-white television sets, 13 had washing machines, and 15 had recorders by the end of 1990. Savings deposits of the urban and rural people rose from 658 million yuan in 1980 to more than 12.2 billion yuan in 1990.

According to the information provided by the autonomous regional statistical bureau, our region's industrial output value increased from some 5.9 billion yuan in 1980 to more than 26 billion yuan in 1990.

### **Tianjin University Witnesses Student Change**

*OW1904012591 Beijing XINHUA Domestic Service  
in Chinese 0704 GMT 17 Apr 91*

[By reporter Zhu Yuquan (2612 3768 3123)]

[Excerpts] Tianjin, 17 Apr (XINHUA)—Tianjin University has, in various ways, carried out education on the modern history of China and basic state affairs among university students, and guided them to an understanding of the history of struggle by the Communist Party of China (CPC) for 70 years; this has achieved encouraging results. After painstaking work by the university in the past year, the mental outlook of the students has undergone a series of gratifying changes. [Passage omitted]

This year marks the 70th anniversary of the founding of the CPC. Tianjin University has launched a contest on knowledge of the history of the Party called "The Glorious Career" among the students of the entire university. The broad masses of students have responded enthusiastically. Presently, the preliminary heats among various departments have been completed and the finals will be held shortly. Preparations for a massive exhibition on party history under the title the "Glorious Career and Glorious Achievements"; a performance of revolutionary historical songs; and film reviews on the theme of revolutionary history, are afoot.

Efforts to make the students come into contact with the world outside the university campus, and to deepen their understanding of the basic situation in China, have become an important link in strengthening the ideological education of the students of Tianjin University in the past year. During the last summer vacation and the winter vacation this year, Tianjin University has appropriated a special fund for organizing and sending more than 50 small groups of social workers to various parts of the country. When they returned to the university, they shared what they had learned in their practical social work. [Passage Omitted]

After leaving the "ivory tower", and immersing themselves in socialist construction work, the university students have generally come to realize that they "know too little about the situation in the country," and they "lack the basic understanding of the complications and difficulties of reform and construction." They keenly felt the expectations of the people at the grassroots level toward the qualified personnel vis-a-vis the inadequacies of their knowledge and ability. Besides, the great achievements of socialist construction since the founding of the People's Republic 40 years ago have exerted a profound influence on the university students. They said: China is so immense, its population is so large, the task and responsibility of reform and construction is so heavy,

and the international situation we face is so complex and intricate, that life is unthinkable without the firm and strong leadership of the CPC.

The change in ideology and understanding has led to a change in action. Since last year, the style of study at Tianjin University has continually changed for the better. After dinner, fewer and fewer students remain in the hostels, while more and more of them are found in the library and lecture halls. The average performance at final examinations in various departments have generally improved. Some departments' students have asked for allocation of classrooms specifically for self-study, to ensure a seat for every student engaging in self-revision in the evening. What is even more eye-catching than the improved style of study, is the change in the political pursuit of the students. According to the statistics of the chemical engineering department, which is the largest department at Tianjin University, there was only one student who applied for party membership in the second half of 1989, while the number of applications for party membership by the whole department has exceeded 140 since last year. A phenomenon in which students throng to attend party lessons has emerged in the departments of chemical engineering and business administration. The students have taken the initiative in organizing study groups on Marxism and Leninism, and study groups on party knowledge are prevalent in all departments. Some students have begun to quit the small circle of self-centered egoism, and instead have linked their personal future with the destiny of the state. In the job allocation for graduates in previous years, none from the chemical engineering department opted for such units as the Daqing Oilfields. However, this year has witnessed the scenario of students vying for the Daqing Oilfields. As an undergraduate aptly put it: My lost self has been recovered through practical life. To be worthy of life, one should shine in the struggle.

### **Northeast Region**

#### **Heilongjiang's Sun Weiben Discusses Courts**

*SK1904093991 Harbin Heilongjiang Provincial  
Service in Mandarin 0900 GMT 18 Apr 91*

[Text] At today's provincial conference on courts' trial of civil cases, Sun Weiben, secretary of the provincial party committee, said: Courts at all levels throughout the province should provide a legal guarantee for reform and opening up as well as for promoting the sustained, stable, and coordinated development of the economy. They should turn courts into places which people think are the fairest, most reasonable, and most honest.

Comrade Sun Weiben said: An important function of the people's courts is to escort economic construction. Courts should further perform their function of participating in economic management according to law, of regulating economic relationship, and of promoting the development of productive forces. To ensure this, comrades of courts should understand and be familiar with

the party's various economic policies and should participate in economic management according to law.

He said: Turning courts into the fairest, most reasonable, and most honest places is an ardent hope of the party and the people, and people's courts should establish an image as such. The contingents of the courts throughout the province should become the fairest, most reasonable, and most honest contingents; should raise their trials of cases to a new level; and should provide a good social environment for the modernization drive and for reform and opening up.

Xie Yong, Standing Committee member of the provincial party committee and secretary of the provincial political and legal committee, spoke at the conference. Tang Lanting, president, and Yao Bingzhu, vice president of the provincial higher people's court, also spoke on ways to make the trials of civil cases successful. Ma Guoliang, Chen Yunlin, Du Dianwu, and Zong Kewen attended the conference.

#### **Liaoning's Yue Qifeng Inspects Jinxi City**

*SK1904093491 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 18 Apr 91*

[Text] While inspecting the city of Jinxi a few days ago, Yue Qifeng, governor of the provincial government, pointed out: Old enterprises' technological transformation is a prominent problem of Jinxi as well as the whole province. This is a task of strategic importance.

Yue Qifeng said: The key to transforming old enterprises hinges on solving problems concerning Liaoning's consumption and marketing of raw materials. At present, Liaoning is not short of raw materials but fails to catch up with the requirements of intensively processing its products. In conducting transformation, old enterprises should focus on expanding production; and try every possible means to upgrade the quality, technological contents, and additional value of products. When the on-going new projects are contradictory with technological transformation projects, we should give priority to technological transformation. With the achievements in enterprises' technological transformation, Jinxi as well as Liaoning will invigorate its industry and make new contributions to the four modernizations. If we fail in conducting technology among old enterprises, a group of enterprises will possibly go bankrupt.

In regard to developing local industries and town and township enterprises, Yue Qifeng said: There is a big contract in the development of large industries, local industries, and town and township enterprises in Liaoning. Both local governments and large enterprises should be held responsible for the localities' failure in developing local industries and town and township enterprises. Large enterprises, living in Liaoning and being fed by Liaoning, have the duty and responsibility to display their advantages and to help develop local industries and town and township enterprises. Only when local industries and town and township enterprises are

well developed can we increase the input to agriculture, promote the development of agricultural production, and better serve large enterprises. Localities should serve large enterprises.

After inspecting some towns and townships of Suizhong and Jianchang, Governor Yue Qifeng said: Jinxi has great potential for developing agriculture. The key to being self-sufficient in grain hinges on changing the agricultural production conditions. The city should try every possible means to expand irrigated areas, strive to increase multiple cropping areas, ensure to reap two harvests annually and increase the farmland output rate, attend to invigorating agriculture with science and technology, and vigorously popularize the use of fine varieties and plastic sheds.

### **Northwest Region**

#### **Qinghai's Yin Kesheng Attends Muslim Ceremony**

*HK1804130191 Xining Qinghai Provincial Service in Mandarin 2200 GMT 15 Apr 91*

[Excerpts] Yesterday, more than 30,000 Xining-based Muslims dressed in festival clothes, gathered in Xining's Orient Mosque and held a religious ceremony in celebration of the (Erde) Festival.

At 0800 in the morning [passage omitted] Han Shenggui, vice chairman of the provincial committee of the Chinese People's Political Consultative Conference and president of the provincial Islamic Association, delivered a speech at the ceremony. He called on the broad masses of Muslims to continue to develop the fine Islamic tradition of unity, harmony, loving the motherland, and loving Islam and try to become good citizens who safeguard stability and abide by the law and discipline in the first year of the Eighth Five-year Plan. [passage omitted]

Provincial and Xining City's party and government leaders, including Yin Kesheng, Sang Jiejia, Ma Wending, La Bingli, Han Yingxuan, (Li Xinze), (Ma Xiaofei), and other comrades, attended the ceremony upon invitation and went to the homes of well-known Muslim personages to extend festival greetings to them.

#### **Xinjiang Public Security Director on Splittism**

*HK1804134991 Beijing RENMIN GONGAN BAO in Chinese 22 Mar 91 p 1*

[Newsletter by Liu Ying (0491 8714): "Safeguarding the Motherland's Unity Is Sacred Duty of Every Public Security Officer and Man: Xinjiang Public Security Department Director Dong Yangyu on Key to Keeping Public Order in Border Areas Stable"]

[Text] On the map, the People's Republic of China is like a cock that heralds the break of the day and the Xinjiang Uygur Autonomous Region is just the cock's upward-bending tail. Contiguous to five countries, Xinjiang



constitutes nearly one-sixth of China's territory and has an over 5,000-km-long borderline. It is also a region where minority nationalities live in compact communities. For the sake of "the smiles of the mother and the bumper harvests of the land," public security and armed police officers and men working and fighting in Xinjiang not only fight common crimes but also shoulder the important task of opposing national splittism and safeguarding the motherland's unity.

"Xinjiang is an economically underdeveloped region. For the economy to develop, a stable social order environment is needed. Opposing national splittism and safeguarding the motherland's unity are the key to the region's stability and also the sacred duty of every public security officer and man." Xinjiang Public Security Department Director Dong Yangyu said this when interviewed by this reporter a few days ago.

The struggle for and against national splittism has always existed in Xinjiang. Since the drive of reform and opening up to the outside world, China has put an end to its policy of national seclusion and opened its doors to the outside world, thus promoting economic development. However, capitalizing on this situation, separatists and hostile forces outside the borders are also carrying out their activities. Moreover, the relaxation of political and ideological education over the last few years has made the struggle against national splittism more complicated and intense.

Then what are the characteristics of the national splittist activities in the new situation? According to analysis by Director Dong Yangyu, a handful of intellectuals stubbornly clinging to their national separatist positions and people carrying out national separatist activities under the cloak of religion disregard the facts and deny the formation and development of harmonious relationships among all nationalities in China as a historical fact; the flesh-and blood ties with each other. To split the region, they resort to rumormongering to confuse and poison people's minds. On the other hand, hostile forces outside the borders send their men to the region to carry out activities in a vain attempt to collaborate with domestic hostile forces and stir up trouble.

However, we have more favorable conditions and a more powerful force for safeguarding the motherland's unity and opposing national splittism than ever before. With full confidence, Dong Yangyu said: First of all, the broad masses of people of all nationalities wholeheartedly support the motherland's unity and firmly oppose national splittism. These people have become masters of the country since liberation from their status of people living at the lowest level of life. Particularly since the Third Plenary Session of the 11th CPC Central Committee, their life has become better and better with each passing day. Most minority nationalities in Xinjiang believe in Islam. Their freedom of religious belief is fully protected and their habits and customs are respected. From their personal experiences, they cherish profound feelings for the CPC and the multinational socialist

motherland. Our work in many fields, such as public security, is supported by the broad masses of people of all minority nationalities. Second, we have the powerful machine of people's democratic dictatorship and an outstanding public security contingent loyal to the party, the motherland, and the people. In the backward, poor, and weak old China, Xinjiang never split. Now it should not split all the more.

In conclusion, Dong Yangyu said: Of course, tactically we should not underestimate the national separatist activities. To safeguard Xinjiang's stability and the motherland's unity, a lot of hard work is still needed. Public security organs should continue to uphold three things: Firmly relying on party committees and the masses of people, guarding against onesidedness, that is, paying undue stress on fighting national splittism to the neglect of cracking down on other crimes or vice versa, and conducting education in safeguarding the motherland's unity and opposing national splittism among public security and armed police officers and men. So long as all these are done, the national separatists' plot will never succeed.

#### Commendations Given for Baren Rebellion Defeat

OW1904003591 Urumqi XINJIANG RIBAO in Chinese  
6 Apr p 1

[By reporters Qiang Fu (1730 8099) and Jiang Ture (3068 0956 3583)]

[Text] Xinjiang Uygur Autonomous Regional People's Procuratorate held a meeting in Artux City on 29 March to commend collectives and individuals who rendered meritorious service in quelling the counterrevolutionary armed rebellion in Baren Township of Akto County last year, and in handling cases of rebellion.

During the period of counterrevolutionary armed rebellion which occurred in Baren Township last year, vast numbers of police cadres and personnel under the regional procuratorate system, in active combination with public security personnel and armed police, fought valiantly, displaying a revolutionary spirit of being fearless of hardship and death, and scored great victory in the struggle against the rebellion. After the rebellion was quashed, prompt action was taken to firmly carry out the trials of the rebellious elements, in accordance with party policy and state law. Within a relatively short period of time, the work of investigation, issuing warrants of arrest, cross-examination, and prosecution was completed, thereby effectively ensuring prompt and proper handling of the cases.

Akto County People's Procuratorate, and (Arban Kurban), chief procurator of Akto County People's Procuratorate, (Kurban Miman), assistant procurator, concurrently legal police officer, and (Abulimiti-Balati), deputy chief procurator of Kirzisu Kirgiz Autonomous Prefectural People's Procuratorate, were each issued an order of commendation by the Supreme People's Procuratorate. At the same time, three procuratorates were awarded



class two and three collective commendations, 45 procuratorate police cadres won first, second, and third classes merit citations. On the afternoon of 29 March, amid the strains of majestic melody, representatives of the collectives and individuals who had been awarded commendations and citations, their chests bedecked with medals and red flowers, went up one by one to the rostrum to receive their awards, while warm applause was reverberating from the floor.

Wang Ke, member of the procuratorial committee of the Supreme People's Procuratorate and deputy director of the Political Department, and Yusufu Muhanmode, vice chairman of the autonomous regional people's government, attended and spoke at the meeting.

#### **Xinjiang Meeting on Farming, Animal Husbandry**

*OW1904034791 Urumqi XINJIANG RIBAO in Chinese 3 Apr 91 p 1*

[By reporter Yan Ming (0917 2494)]

[Text] A Xinjiang Autonomous Regional mobilization meeting on the study and implementation of the guidelines of the Fourth Xinjiang Autonomous Regional Party Congress by the autonomous region's leading cadres in agriculture and animal husbandry, was held on 27 March. Discussions at the meeting focused on efforts to mobilize the large number of party members and cadres, especially leading cadres at all levels, from Xinjiang's agricultural and animal husbandry fronts, to conscientiously study, thoroughly understand, and fully implement the guidelines of the Fourth Xinjiang Autonomous Regional Party Congress; expedite various tasks related to Xinjiang's agricultural and animal husbandry fronts; strive for a bumper harvest for the 14th consecutive year; and fight for Xinjiang's long-term stability and development.

Deputy Secretary Li Shoushan delivered a speech at the mobilization meeting, which Vice Chairman Yusufu Muhanmode attended. Comrade Li Shoushan said: This meeting, attended by leading cadres from the autonomous regional agricultural and animal husbandry sectors, serves to mobilize the large numbers of party members and cadres, especially leading cadres at all levels, from Xinjiang's agricultural and animal husbandry fronts, to seriously study, thoroughly understand, and fully implement the guidelines of the Fourth Xinjiang Autonomous Regional Party Congress; to expedite various tasks related to the autonomous region's agricultural and animal husbandry fronts; to promote efforts to

strive for a bumper harvest for the 14th consecutive year; and to further mobilize people to work hard for Xinjiang's long-term stability and development. The following are my opinions:

1. Relaying, studying, and implementing the guidelines of the Fourth Xinjiang Autonomous Regional Party Congress are meaningful efforts that guide us toward effectively accomplishing work in the agricultural and animal husbandry fronts, and achieving long-term stability and development in Xinjiang. We should further strengthen party building in Xinjiang's agricultural and animal husbandry fronts, promote unity among nationalities, improve agricultural and animal husbandry production, and make breakthroughs in work connected to Xinjiang's agricultural and animal husbandry fronts, by relaying and implementing the party congress' guidelines.

2. To study and implement the party congress' guidelines, we should first sharply focus on the basic guideline of working hard to achieve long-term stability and development in Xinjiang. Motivated by the study and implementation of the guidelines, and driven by the common aspiration of "wishing for stability, unity, and development, and striving for prosperity", we should mobilize the large numbers of party members and cadres and people of different nationalities in Xinjiang's agricultural and animal husbandry fronts; confidently implement the "Eighth Five-Year Plan" and the 10-Year Program; and accomplish the goals of struggle and various tasks proposed by the party congress.

3. Relaying and studying the party congress' guidelines help expedite work. Party organs and leading cadres at all levels in the agricultural and animal husbandry sectors should quickly relay the guidelines of the party congress to large numbers of rural pastoral areas, implement the guidelines to expedite actual work in agricultural and animal husbandry production, and develop a good trend in agricultural and animal husbandry production. All agricultural and animal husbandry bureaus, departments, and units should combine actual situations with the various jobs proposed by the party congress, and the goals of struggle and assignments proposed by the autonomous regional party committee in the "Proposals on Formulating the Xinjiang Autonomous Regional 10-Year Program for Economic and Social Development and Eighth Five-Year Plan", and form and carry out concrete plans, proposals, and measures. We should strictly forbid empty talks, emphasize efficiency, and sharply focus on, and carry out each of our tasks.

### Hao Urges Dealing With Protestors Swiftly

OW1904092491 Taipei CNA in English 0743 GMT  
19 Apr 91

[Text] Taipei, April 19 (CNA)—Premier Hao Po-tsun Thursday asked the Justice Ministry to swiftly bring to justice any law-violating protesters who joined Wednesday's mass demonstration opposing the role of senior national assembly members in amending the Constitution.

Hao reiterated the government policy of achieving democracy by implementing the rule of law.

He told a cabinet meeting that the "April 17 incident" had been a tough test of the government's determination to maintain social order.

Hao said he was pleased with government authorities' handling of the whole incident, which ended mostly in peace.

The action of the police and security men during the incident was "praiseworthy," the premier said, adding that violence had been avoided because "we adopted the principles of peace and tolerance."

Vice Premier Shih Chi-yang, governor of the task force on "April 17 incident," Interior Minister Hsu Shui-te, and several ministers without portfolio also spoke during the meeting.

They said Wednesday's mass rally paralyzed traffic, forced schools to close, and littered the streets of the capital city. The cost to society was very great compared to the demonstrators' vague demands, the cabinet members said.

Vice Education Minister Chao Chin-chi said those students who joined the opposition in the march should have stayed on campus and expressed their views rationally.

Government Spokesman Shao Yu-ming said all perpetrators of violence will be dealt with according to the law if there is concrete evidence of their behavior.

### KMT, DPP Reform Talks To Continue

OW1904091991 Taipei CNA in English 0851 GMT  
19 Apr 91

[Text] Taipei, April 19 (CNA)—Kuomintang [KMT] and the opposition Democratic Progressive Party [DPP] are happy because the curtain could be lowered quite peacefully on the record-breaking 15-hour demonstrations in pre-dawn Taipei Thursday.

Leaders from both sides worked face to face in a marathon talk through wee hours to prevent the DPP "mass movement" from turning into a major incident.

When asked by the press in the afternoon whether the KMT agreement to add a "sunset clause" to Article 9 of the proposed attachment to the Constitution was a result of concession to the DPP demand, KMT Secretary-General James C.Y. Soong [Sung Chu-yu] said:

"A more factual statement ought to be that this is what the ruling party should be doing. It is not a matter of concession or compromise. We ought to be doing this for better outcome."

Soong said, "When working out fundamental policy lines, the ruling party should be hearing not just from inside the party but must take into consideration the nongovernment parties' views as well."

Chang Chun-hong, Soong's DPP counterpart, meanwhile said the demonstration was a peaceful one but "our goal of reform has not been attained and efforts therefore must go on."

The Taiwan-born DPP secretary general is glad the talks with KMT took place and the demonstration ended without erupting into serious clashes.

The statement that further demonstrations may have to take place came from DPP Chairman Huang Hsin-chieh who also stated that except for those at the National Assembly [NA], all the DPP members who had walked out of assemblies return to the meeting hall for further endeavor. [sentence as received]

It was seen that the eight NA members of DPP affiliation will not be going back to the current session on Yangmingshan because they do not want to endorse the amendment engineered by the KMT caucus there.

The main DPP contention was and still largely is that the old NA deputies from the mainland days should not be up on Yangmingshan doing constitutional amendment. The work should be done by those newly elected by the people, they say.

Another disputed matter concerns the three bodies set up years ago by the president exercising the emergency power vested in him by the Constitution's wartime temporary provisions.

The special NA session that opened on April 8 is to abolish the provisions and adopt an attachment, mainly to pave the way for new parliamentary elections, but the DPP did not like the way the three bodies—National Security Council, National Security Bureau, and National Personnel Administration—are listed in the last but one of the proposed 10 articles. [sentence as received]

A sunset clause would be in Article 9 to stipulate that pending formal legislation positioning the three bodies, the existing organizational rules of the three would remain effective till Dec. 31, 1993.

This would mean that whether the three setups are to stay or go will be decided by the new parliamentary bodies that would be produced one after another by 1993.

**Li Discusses Constitutional Reform Efforts***OW1204193591 Taipei CNA in English 0808 GMT  
12 Apr 91*

[Text] Taipei, April 12 (CNA)—President Li Teng-hui told a group of American visitors Thursday that the Republic of China Government expects to complete constitutional reforms within two years.

"We are determined to implement constitutional reforms and democratize the Republic of China," Li told a delegation of distinguished women headed by Mrs. Carolyn Bond, wife of Sen. Christopher Bond (R-MO).

When the constitutional reforms are completed, possibly within two years, a solid and sound foundation will be established for democracy to develop in the Republic of China, the president said.

Although diplomatic relations between Taipei and Washington were suspended in 1979, Li said, the people of the Republic of China have not forgotten that the American people and government extended valuable assistance to the country in past decades.

Mindful of the longstanding friendship between the two countries, Taipei has done its best to support the policies of the United States Government, he added.

For instance, Li pointed out, the Republic of China supplied aid to three "front-line" nations in the Middle East during the Persian Gulf war.

Delegation members, including wives of U.S. senators, said U.S. Congress has been deeply impressed by the political reforms being implemented in the Republic of China.

In addition to Mrs. Bond, the delegation includes Mrs. Colleen Nunn, wife of Sen. Sam Nunn (D-GA); Mrs. Barbara Pryor, wife of Sen. David Pryor (D-AR); Mrs. Mary Johnston, wife of Sen. Bennett Johnston (D-LA); Mrs. Nancy Murkowski, wife of Sen. Frank Murkowski (R-AK); Mrs. Louise McClure, wife of Sen. James McClure (R-ID); Mrs. Esther Coopersmith, a former U.S. representative to the United Nations; Mrs. Ina Ginsburg, member of the board of trustees of the American Film Institute; and Mrs. Eva Sullivan, wife of Secretary of Health and Human Services Louis Sullivan.

**Committee To Defend Sovereignty Founded***OW1904051691 Taipei TZU LI WAN PAO  
in Chinese 13 April 91 p 1*

[By reporter Chang Yu-peng in Taipei]

[Text] The "Committee for the Defense of Taiwan," formed by over 200 civilian opposition people, was officially founded at the Ambassador Hotel this afternoon. At the inaugural ceremony, committee members openly took a stand against the amendment of the Constitution by senior National Assembly members; and released the "Program for Defending Taiwan," which is designed to defend Taiwan's independent sovereignty

and to rebuild constitutional rule. They also initiated plans to hold a meeting in May to discuss the possibility of rewriting the Constitution.

The inaugural ceremony, jointly chaired by Huang Hsing-chieh, Huang Shih-cheng, and Chang Chung-tung, adopted the "Program for Defending Taiwan" and discussed the committee's articles of association. It was learned that the committee had issued numerous invitations to people in all sectors, asking them to attend the inaugural ceremony. Among those invited were President Li Teng-hui; Premier Hao Po-tsun of the Executive Yuan; Sung Chu-yu, secretary general of the Kuomintang; Shih Chi-yang and Ma Ying-chiu, members of the Mainland Affairs Council; and Chen Chang-wen, secretary general of the Straits Exchange Foundation.

It was learned that the committee, founded primarily to "defend Taiwan and promote joint efforts in seeking a new life," is actively preparing for a meeting in May to discuss the possibility of rewriting the Constitution. It has invited overseas-based dissident Peng Ming-min to attend the meeting. Although Peng has accepted the invitation, the committee is still studying technical issues, such as whether he can return to Taiwan "without incident."

At the ceremony, the wording of the "Draft Program for Defending Taiwan," which had been amended three times, was revised for the last time before the document was formally adopted. The draft contains the following four major outlines: Defending independent sovereignty; rebuilding constitutional rule; maintaining sustained economic development; and creating a society based on public awareness of justice and protecting the great land of Taiwan.

**Legislative Yuan Debates 1992 Budget***OW1604123791 Taipei CNA in English 0913 GMT  
16 Apr 91*

[Text] Taipei, April 16 (CNA)—The Legislative Yuan Monday began screening the government's proposed revenue budget for fiscal 1992 which begins July 1.

Finance Minister Wang Chien-shien asked finance committee members to support his ministry's 906.8 billion U.S. dollar (33.2 billion U.S. dollar) [currency designation as received] budget proposal, which represents a 29.74 percent increase from last year's figure.

The ministry proposal accounts for 91.41 percent of the central government's total revenues.

Of the 906.8 billion NT dollars, Wang said, 538.4 billion NT dollars or 59.38 percent will come from tax revenue while another 6.4 percent from government monopoly profits and other taxes.

The government plans to borrow 310.2 billion NT dollars or 34.22 percent to make up for the shortfall in revenue; some 250 billion NT dollars of the bonds will be for public construction projects.

Following Wang's report, committee members began an item-by-item review and questioned the Finance Ministry's income tax proposal.

Legislator Peng Pai-hsien of the opposition Democratic Progressive Party (DPP) said that the ministry's targeted income tax revenue is too small a portion of the revenue proposal to reflect real economic growth.

Wu Yung-hsiung, also of the DPP, was against the idea of a larger share of income tax revenues. He pointed out that in fiscal 1992 income tax revenues are projected at 126.4 billion NT dollars, a stunning 26 percent growth from the current fiscal year.

### Defense Budget Outlined

OW1604123891 Taipei CNA in English 0937 GMT  
16 Apr 91

[Text] Taipei, April 16 (CNA)—Defense Minister Chen Li-an said Monday that the fiscal year 1992 defense budget would total 264.5 billion NT dollars, up 13.5 billion NT dollars from last year.

Chen said that the defense budget will consume 5.24 percent of gross national product, about the level of five to six percent of other countries. The defense budget has declined relative to the size of the nation's economy for nine consecutive years since 1983.

Of the defense spending, Chen said military investment will take 109.2 billion NT dollars, a 2.34 percent drop from last year, for 41.31 percent of the total budget; operational expenditures will total 54.9 billion NT dollars, or 20.79 percent of the budget, up 2.35 percent; personnel outlays will reach 100.2 billion NT dollars, or a 37.9 percent share of the budget, a 0.01 percent fall.

Chen was responding on the budget before the Legislative Yuan's defense and budget committees.

### Funds for Scientific Research Increase

OW1704134791 Taipei CNA in English 0853 GMT  
17 Apr 91

[Text] Taipei, April 17 (CNA)—The expenditure for the Ministry of Economic Affairs in fiscal 1992 will be set at 51.74 billion NT [new Taiwan] dollars, a stunning 56 percent growth over the previous fiscal year, Economic Affairs Minister Hsiao Wan-chang reported Wednesday. The new fiscal year will begin this coming July 1.

The increase will strengthen scientific and technology research and development, enhance the efficiency of state-run enterprises, and fund a new task force to assist small and medium-sized enterprises, Hsiao told a Legislative Yuan committee studying his ministry's budget.

Some 27.6 billion NT dollars will be set aside for industrial uses, a growth of 13.4 billion NT dollars, Hsiao said.

The ministry's income is projected to go up 42 percent to 50.4 billion NT dollars within the next fiscal year.

The screening committee approved the budget proposal and forwarded it to the Yuan's full body for final approval.

### Privatization of Oil Refining Allowed

OW1204194091 Taipei CNA in English 0850 GMT  
12 Apr 91

[Text] Taipei, April 12 (CNA)—The Ministry of Economic Affairs (MOEA) has agreed in principle to privatize the oil refining industry which is currently a state-run Chinese Petroleum Corp. (CPC) monopoly.

Industrial Development Bureau officials said Friday that the MOEA-drafted oil industry regulations have been submitted to the Executive Yuan for approval.

Once the regulations are approved, they said, the government will allow the private sector to refine crude oil.

Formosa Plastics Corp., which plans to build the nation's sixth naphtha cracking plant, is very likely to become the first private refiner in the country, they said.

The MOEA-proposed regulations require that private refiners sell their products to CPC or export anything not used by the refining company itself, according to bureau officials.

Formosa Plastics plans to invest 90 billion NT [new Taiwan] dollars (3.3 billion U.S. dollars) to build a naphtha cracker with an annual production of 450,000 tons of ethylene, and a refinery.

The investment does not include land costs. The refinery alone carries a price tag of 30 billion NT dollars.

The Formosa Plastics project envisions 23 up-, middle-, and down-stream factories whose intermediary products will include plastics and man-made fibers which are expected to boost the self-sufficiency of the domestic petrochemical industry.

The factories will also produce essential petrochemical materials and engineering plastics to support such strategic industries as electronics, electrical machines, machinery, and information.

Officials said the Formosa Group, owned by tycoon Wang Yung-ching, will present its formal investment plan to MOEA in July.

### Mainland Urged To Eliminate Hostility

OW1304082591 Taipei CNA in English 0741 GMT  
13 Apr 91

[Text] Taipei, April 13 (CNA)—The Republic of China [ROC] hopes Peking will take concrete action to eliminate hostility between the two sides of the Taiwan Straits



after the ROC announces an end to the "period of communist rebellion" in May, presidential spokesman Cheyne J.Y. Chiu said.

Chiu told a regular news conference Friday that although Taiwan and the mainland have not yet reached a consensus on national unification, Peking can show its goodwill and sincerity in other fields.

"Actions speak louder than words," Chiu stressed. "Only sincerity and mutual trust can help end cross-strait confrontation."

One of the major tasks facing the current National Assembly's extraordinary session is to amend the constitution, so that President Li Teng-hui can proclaim an end to the period of national mobilization and the suppression of communist rebellion next month.

An end to the "period of communist rebellion" is expected to bring relations across the Taiwan Straits to a new ballgame.

Asked whether it would be feasible to sign a cease-fire agreement with Peking, Chiu said the question requires further study at present.

The presidential spokesman continued that if Peking fails to take immediate steps to stop mainland fishermen from preying upon their Taiwan cousins, the ROC will certainly adopt countermeasures.

Earlier this week, Yu Yu-hsien, chairman of the Council of Agriculture, said the government will shelve an agricultural exchange agreement across the Taiwan Straits if Peking fails to curb acts of piracy by mainland vessels.

#### SEF To Handle Disputes With Mainland

OW1704134891 Taipei CNA in English 0842 GMT  
17 Apr 91

[Text] Taipei, April 17 (CNA)—The cabinet-level Mainland Affairs Council (MAC) Tuesday decided that within the coming week it would authorize the Straits Exchange Foundation (SEF) to handle cross-strait disputes over illegal immigrants, smuggling, acts of piracy and travel and trade issues.

MAC's Vice Chairman Kao Kung-lien said a SEF delegation originally planned to leave for the mainland April 21 but will postpone its departure until April 28 to allow for further consultations among government agencies.

MAC hopes the mainland will tighten controls on acts of piracy committed by its fishermen in waters around Taiwan and will further improve its economy so as to eliminate incentives for smuggling and illegal immigration.

A total of 396 mainland stowaways were arrested by navy patrols between April 1 and 9. April to July every year is the peak season for such "immigration", MAC said. From 1987 to March 28 this year, MAC said that

13,219 illegal immigrants and 656 boats had been caught, and 12,566 stowaways and 347 boats had been repatriated.

MAC also decided Tuesday to allow mainland people over 75 and under 12 to apply to settle in Taiwan if they have relatives or spouses here.

#### Visit Postponed

OW1604131091 Taipei CNA in English 0804 GMT  
16 Apr 91

[Text] Taipei, April 16 (CNA)—The Straits Exchange Foundation (SEF), a government-sponsored organization handling civilian affairs between Taiwan and the mainland, will delay its planned mainland visit for one week.

A SEF delegation originally planned to leave for the mainland April 21, but at the request of the cabinet Mainland Affairs Council (MAC), will postpone its departure until April 28.

MAC plans to formally authorize SEF to handle cross-strait disputes over illegal immigration, smuggling and piracy before the SEF delegation leave for its first mainland tour, an MAC spokesman said.

MAC will meet Tuesday to decide on the details of the authorization. It commissioned SEF to verify Mainland Chinese documents and identities April 9.

During the upcoming mainland visit, the SEF delegation, to be led by its Secretary General C.V. Chen, will explain SEF's goals and operational principles to mainland authorities responsible for handling cross-strait affairs. Peking has agreed to arrange the group's mainland itinerary.

#### Mainland Investment Lower Than Expected

OW1204194591 Taipei CNA in English 0900 GMT  
12 Apr 91

[Text] Taipei, April 12 (CNA)—The amount of capital Taiwan investors have poured into Mainland China is lower than expected, while the number of investors is more than double the figure the government originally predicted.

Cross-strait investments totaled 660 million U.S. dollars, lower than the expected one billion U.S. dollars to 1.5 billion U.S. dollars, the Investment Commission (IC) reported.

A total of 2,503 local companies had registered their mainland ventures with IC by an April 8 deadline, much higher than the predicted 1,200.

Preliminary studies show 85 percent of the Taiwan investors invested through a third country or area, and 60 percent of the investment were under personal names. Investment officials noted that the findings indicate local businessmen are cautious in undertaking cross-strait adventures.

The officials said 398 vehicle manufacturers have pumped 99.86 million U.S. dollars into the mainland. Both the number and the amount topped those of other industries.

Taiwan investors poured 63.64 million U.S. dollars into the mainland's service sector, including hotels, restaurants and KTV establishments. Plastic, metal and electric appliance manufacturers trailed behind in terms of investment amounts.

Shenzhen [Shenzhen], a special economic zone in Kwangtung [Guangdong], is the most favored investment area; other popular places are coastal cities in Fukien [Fujian], Canton [Guangzhou] and Shanghai in that order.

Premier Hao Po-tsun Thursday directed the Ministry of Economic Affairs to determine to see if there are still companies who have failed to register their mainland businesses, and to deal with them according to the law.

#### **Premier Wants Mainland Fishing Boats Repelled**

*OW1204194291 Taipei CNA in English 0845 GMT  
12 Apr 91*

[Text] Taipei, April 12 (CNA)—Premier Hao Po-tsun told government agencies to come up with "concrete" measures to respond to increasing reports of mainland fishing boats intruding into Taiwan's coastal waters and acting provocatively.

If necessary, the government should take "tough" action to repel the intruding mainland fishing boats which threaten social stability in Taiwan, Hao said.

He asked the Mainland Affairs Council and the Council of Agriculture to determine how many Republic of China [ROC] fishing boats had been victims of mainland piracy and how many had been involved in "smuggling and trading disputes" with Mainland Chinese.

If the ROC boats have indeed been harassed or kidnapped, "the government should certainly give them proper protection," but if they have been smuggling, they must be "sternly disciplined," Hao told an Executive Yuan meeting.

Mainland Chinese pirates have become increasingly active in harassing Taiwan fishing boats around the island, especially in the Taiwan Straits. In the past 18 months, 25 such cases have been reported.

In the latest incident, some 50 mainland fishing boats were stopped in waters off Taoyuan, northern Taiwan, and later driven away by a Navy ship and four speed boats after a three-hour confrontation Tuesday evening.

#### **Dissident Wan Runnan Visits Goddess of Democracy**

*OW1204184691 Taipei CHINA POST in English  
5 Apr 91 p. 12*

[Text] Mainland Chinese dissident Wan Ren-nan yesterday visited the Goddess of Democracy radio ship

currently anchored in the southern city of Tainan. Ship owner Wu Meng-wu, who recently changed the name of the ship to "Peace," also replaced the exhibits provided by mainland China with pictures and materials concerning the pro-democracy movement in mainland China which was crushed by the Chinese Communists two years ago.

The ship bought by Wu last year after its mission to broadcast democracy message to mainland China was thwarted, originally showcased mainland China's pro-democracy movement. But due to financial problems, the owner signed a contract with mainland authorities to exhibit some 500 Chinese paintings and calligraphy.

Under the request of the Mainland Affairs Council here, Wu replaced the paintings with the previous exhibit.

After visiting the boat, Wan reportedly said democratic reforms in mainland China will not be able to be achieved overnight.

#### **Hao Views Stability With Former U.S. Officials**

*OW1604125691 Taipei CNA in English 0800 GMT  
16 Apr 91*

[Text] Taipei, April 16 (CNA)—Premier Hao Po-tsun said a free and democratic China will be a pivotal factor in maintaining security and stability in the West Pacific region.

Hao made the remarks while meeting Monday with a nine-member delegation of former U.S. military service secretaries.

The premier said the Republic of China [ROC] hopes the United States will support its ultimate goal of unifying China under the principles of "freedom, democracy and an equitable distribution of wealth."

Despite the absence of diplomatic relations, Hao said substantive ties and traditional friendship between Taipei and Washington continue to strengthen in accordance with the Taiwan Relations Act.

Hao said the ROC appreciated U.S. contributions to its security before the termination of the mutual defense treaty at the end of 1979 and hoped the U.S. will continue to help Taiwan strengthen its defense capabilities in order to safeguard its national security and to maintain its political stability and economic development.

Verne Orr, former secretary of the U.S. Air Force and leader of the delegation, said that America is happy to see peace and stability in the Taiwan Straits.

As long as the situation in the straits remains stable, Orr said, the U.S. will not intervene in cross-strait affairs.

In an interview with the CENTRAL NEWS AGENCY, Orr said Taiwan has developed enough weaponry and defense systems over the years to safeguard its own security, and Washington welcomes the ROC efforts to help maintain stability in the Asia-Pacific region.

With hostility between the two sides of the Taiwan Straits gradually ameliorating, Orr said the trend will contribute to peace and stability in the region.

Orr said the U.S. will continue to sell arms to the ROC in accordance with the Taiwan Relations Act, but if Taipei hopes to secure military supremacy in the straits, he added, it must develop even more sophisticated weapons by itself.

Orr is well aware of the ROC's first indigenously developed jet fighters (IDF). He said the IDF's performance is quite good.

The former U.S. Air Force chief pointed out that the recent Gulf war could push Taiwan to accelerate research and development in state-of-the-art military technology.

Orr and the other former American military secretaries will take part in two seminars here starting Tuesday on "Persian Gulf Events and Pacific Security" and "The Strategic Situation of the Taiwan Straits."

#### **No Quotas on Residency of Overseas Chinese**

*OW1204194791 Taipei CNA in English 0855 GMT  
12 Apr 91*

[Text] Taipei, April 12 (CNA)—A ranking government official said Thursday that the government does not set annual quotas on the number of overseas Chinese permitted to stay here for an extended period of time.

Wu Po-hsiung, a minister without portfolio, said applications by overseas Chinese for Republic of China [ROC] residency are handled on a case-by-case basis in accordance with conditions in their host countries or regions.

Wu led a meeting of government officials in reviewing an Interior Ministry proposal, to become effective after it wins an Executive Yuan approval.

Ming Chen-hua, vice chairman of the Overseas Chinese Affairs Commission (OCAC), said the Interior Ministry proposed that the Foreign Ministry carefully screen applications for ROC residency by overseas Chinese holding foreign passports.

Overseas Chinese carrying ROC passports must stay here for more than a year and have a clean police record before they can apply with the Entry and Exit Bureau and OCAC for ROC residency, Ming added.

Overseas Chinese holding dual citizenship have alarmed legislators here because of their questionable loyalty to the country. The lawmakers have demanded that their ROC citizenship be reviewed if they do not intend to stay in Taiwan long.

As to Chinese residents of Hong Kong and Macao, both of which are to revert to Mainland Chinese rule in the late 1990s, Ming said their applications to live in Taiwan will be dealt with "as special cases."

#### **Hao Pledge on Intellectual Property Rights**

*OW1204193491 Taipei CNA in English 0813 GMT  
12 Apr 91*

[Text] Taipei, April 12 (CNA)—Premier Hao Po-tsun said the Republic of China [ROC] Government attaches great importance to the protection of intellectual property rights and will continue to improve its protective measures.

Hao made the pledge while meeting Thursday with four American delegates to a seminar on ROC-U.S. intellectual property rights protection and technology transfer being held at National Taiwan University.

The premier told his guests the ROC Government has taken steps to actively protect copyrights and other intellectual property rights in recent years. He urged them to share their expertise with the ROC to further improve its protection system.

Hao continued that the ROC also hopes to learn from the United States how to transfer advanced defense technology to commercial production. The ROC military has over the years developed many sophisticated technologies and will gradually transfer them to the private sector to help upgrade production.

"We hope to learn from U.S. experience to ensure that such know-how will not be copied by foreign companies in the process of transfer," the premier stressed.

Bernard J. Lacomis, president and chief executive officer of the Arthur D. Little Enterprise, Cambridge, Massachusetts, and one of the American delegate, expressed his admiration for ROC efforts to eliminate commercial counterfeiting and to protect intellectual property rights. Lacomis promised to offer his advice in this regard during the two-day seminar.

The symposium, co-sponsored by the Industrial Technology Research Institute and the ROC-U.S. Technology Research Association, has brought together more than 100 Chinese and American academics, industry executives and government officials to discuss a wide-range of topics. It will close Friday afternoon.

#### **EC Ratifies Agreement on Customs Clearance**

*OW1204183091 Taipei CNA in English 1422 GMT  
12 Apr 91*

[Text] Brussels, April 12 (CNA)—The governments of the 12 European Community nations have all ratified an Agreement on Temporary Admission (ATA) for customs clearance with the Republic of China [ROC] in a move to promote bilateral economic cooperation, the Taipei Economic and Culture Office (TECO) in Brussels said Friday.

The ATA carnet is a customs document allowing traders and professional experts of signatory nations to clear samples, exhibition goods and scientific instruments without need to pay customs duty for a certain period in a signatory nation where they visit.

A TECO spokesman said a protocol of the ATA carnet agreement, signed earlier this year between the European Chamber of Commerce and the Brussels Office of the ROC Far East Trade Service had been endorsed and signed by national chambers of commerce of the EC nations before ratified by their respective governments.

The China External Trade Development Council (CETSA) negotiated the agreement on behalf of the ROC Government with the European Chamber of Commerce in the past years.

The ATA carnet system is seen as the major factor of international trade expansion and technological exchange in Western nations in the past decades.

The TECO spokesman noted that several member nations of the European Free Trade Association such as Austria, Switzerland, and Norway are also members of the European Chamber of Commerce and are expected to ratify the accord.

He added that the agreement would come into force in the EC nations after being ratified and decreed by the EC Commission.

#### **Hong Kong Trade Center 'Pragmatic, Active' Move**

*OW1604150591 Taipei CNA in English 0736 GMT  
16 Apr 91*

[Text] Taipei, April 16 (CNA)—Economic Affairs Minister Vincent Siew said that the establishment of the Taipei Trade Center Hong Kong is a "pragmatic, active" move taken by the Republic of China [ROC] in conjunction with its mainland policy.

The Taipei Trade Center Hong Kong was opened April 15 in the Hong Kong Convention and Exhibition Center. It was established by the quasi-official China External Trade Development Council as part of its efforts to expand ROC trade horizons.

The trade center originally aimed to promote trade between Taiwan and Hong Kong, but its services have expanded to include assisting Taiwan businesses intending to invest on the mainland via Hong Kong. Taiwan's trade with and investments on the mainland must be "indirect" as the two sides are still technically at war.

Since Hong Kong is the pivot of current Taiwan-mainland entrepot trade, Siew stressed that the ROC will not pull out from the British colony after it reverts to the mainland in 1997.

Hong Kong overtook the United States to become the Republic of China's second largest export market in the first quarter of 1991, according to the directorate general of budget, accounting, and statistics.

Hong Kong has also become one of the major sources of the nation's trade surplus. The Republic of China enjoyed a 1,933 million U.S. dollar surplus with Hong

Kong in the first quarter of 1991, higher than the 1,336 million U.S. dollars registered with the United States.

#### **Private Banks Allowed Hong Kong Branches**

*OW1804093491 Taipei CNA in English 0807 GMT  
18 Apr 91*

[Text] Taipei, April 18 (CNA)—Domestic private banks may establish branches in Hong Kong but government-run banks cannot do so, according to a cabinet-level Mainland Affairs Council Official [MAC].

Current mainland policy does not allow official contact with the other side of Taiwan Strait. The MAC official said that many problems must be taken into account before a decision was made in allowing bank branches in Hong Kong especially since Hong Kong will revert to the mainland in 1997.

The Finance Ministry has been encouraging domestic banks to set up overseas branches. Any bank interested in establishing branches abroad may make such a proposal to the ministry's department of monetary affairs which will evaluate the bank's qualifications before approving the proposal.

Hong Kong became the ROC's [Republic of China] second largest export market in the first quarter of the 1991. The British colony has been playing a vital role in the current Taiwan-mainland entrepot trade, and many banks hope to jump on the bandwagon and gain a share in the market.

The provincially-run Hua Nan Commercial Bank has applied to the Finance Ministry to establish a branch in Hong Kong. The application has passed the ministry's preliminary assessment, sources said.

#### **Nautical Disputes With Philippines Continue**

##### **Sea Route Sought**

*OW1804101491 Taipei CNA in English 0802 GMT  
18 Apr 91*

[Text] Taipei, April 18 (CNA)—The government will seek an agreement of the Philippine Government in drawing a "middle line" through the Bashi Channel to assure the safety of Republic of China [ROC] fishing boats which have often been detained by the Philippines on charges of "intrusion" into Philippine territorial waters.

Chen Tsai-fa, the official in charge of Ocean Fisheries at the Council of Agriculture [COA], said COA will ask the Foreign Ministry to negotiate a safe sea route for ROC fishermen.

The Philippines' 200-mile economic zone includes waters as far north as the sea off Hsinchu in northern Taiwan, clearly overlapping Taiwan's economic zone. This has caused many disputes, with Taiwan fishing boats being repeatedly detained.



Chen told a seminar in Kaohsiung, southern Taiwan, that he hopes Manila will respect the ROC's economic zone in order not to inject tension into bilateral relations.

He also urged ROC fishermen not to catch fish in disputed waters.

April through July is the season during which fishing fleets operate in the South Pacific and Indian Oceans. To reach there, ROC fishing boats must pass through the disputed waters in the Bashi Channel.

### **Fishermen's Release Urged**

*OW1704135091 Taipei CNA in English 0838 GMT  
17 Apr 91*

[Text] Taipei, April 17 (CNA)—The Ministry of Foreign Affairs has asked Philippine authorities to soon release three Republic of China [ROC] fishing boats now detained in Bataan, western Luzon.

Vice Foreign Minister Fang Chin-yen met Tuesday with Joaquin R. Roces, director of the Manila Economic and Cultural Office in Taipei, to express the ROC's grave concern over the Philippines' repeated detention of Taiwan fishing boats in recent years.

Three ROC fishing vessels—Chiahsin No. 2, Chin-faching and Shengchifeng—were intercepted by Philippine naval vessels in the Bashi Channel last Sunday. The Philippine Navy claimed the three ships had intruded into its economic zone and took them into custody.

A preliminary investigation indicates that the three boats were sailing through the contested waters between the ROC and the Philippines on their way back to their home bases in Tungkan and Hengchun in southern Taiwan, and were not operating in Philippine waters when they were detained.

The Council of Agriculture has asked the non-profit ROC Overseas Fishery Cooperation Development Association (OFCDA) and the Taipei Economic and Cultural Office in the Philippines to help resolve the problem.

Professor Huang Yi, a maritime legal expert at the National Taiwan Maritime University and Ho Sheng-tsu, an OFCDA department chief, are leaving for Manila Wednesday to seek the early release of the three ill-fated ships and their nine crew members.

Foreign Ministry sources said the ministry plans to send officials to Manila to try to define the limits of economic zones of the two countries. According to international law, contested waters between the two nations should be divided down the center.

Despite the absence of diplomatic relations, trade and economic relations between Taipei and Manila have been very close. The ROC is now the third largest foreign investor in the Philippines.

### **New Nicaraguan Envoy's Credentials Accepted**

*OW1604190391 Taipei CNA in English 1427 GMT  
16 Apr 91*

[Text] Taipei, April 16 (CNA)—Nicaragua's new ambassador to the Republic of China, Pedro J. Chamorro Barrios, called on Foreign Minister Fredrick Chien Tuesday to present the copy of credentials.

Chamorro, son of President Violeta Chamorro, arrived in Taipei April 11 to assume the post. He is Nicaragua's first ambassador to the Republic of China since the two countries resumed diplomatic relations last Nov. 5.

During the courtesy call, he told Chien he will do his utmost to promote cooperation and friendship between Nicaragua and the Republic of China.

The Nicaraguan ambassador is expected to present the credentials to President Li Teng-hui in a few days.

### **Austrian Airline To Begin Taipei-Vienna Flights**

*OW1504132191 Taipei CNA in English 0843 GMT  
15 Apr 91*

[Text] Taipei, April 15 (CNA)—EVA Airways, the second Republic of China airline to fly international routes, is scheduled to start flights between Taipei and Vienna September 1, a company spokesman announced Monday.

The carrier will initially operate a weekly round-trip flight on the new route. EVA's general manager Hsu Jui-yuan reported.

Austria's Lauda Air has decided to make its maiden flight to Taipei on June 3, Hsu said.

Hsu also announced that EVA will start flights on its Southeast Asian routes in July as scheduled.

EVA will take delivery of the two new Boeing 767-300ER planes it has leased from Britain's Monarchy Co. on May 21 and May 28. They will fly Taipei-Bangkok, Taipei-Seoul, Taipei-Jakarta, Taipei-Singapore and Taipei-Kuala Lumpur routes.

EVA will accept reservations for its planned flights starting May 1, Hsu said.

### **Trade Deficit With Japan Increases**

*OW1204192491 Taipei CNA in English 0942 GMT  
12 Apr 91*

[Text] Taipei, April 12 (CNA)—Even though the new Taiwan [NT] dollar has depreciated some 17 percent against the Japanese yen over the past five years, Taiwan's trade deficit with Japan has risen 260 percent, an Economic Planning Agency reported Friday.

The Council for Economic Planning and Development [CEPD] said long-term currency exchange fluctuations usually influence trade between two countries. In most cases, a country whose currency depreciates sees a decline in its trade deficit.

The NT dollar has appreciated 32.2 percent against the U.S. greenback since September 1985, while the yen has risen 43.8 percent against the U.S. dollar. As a result, the NT dollar has depreciated 17 percent against the Japanese currency.

Taipei had a trade deficit of 2.09 billion U.S. dollars with Tokyo in 1985; the trade imbalance had surged 2.6-fold to 7.66 billion U.S. dollars in 1990 in Japan's favor.

With Taiwan's trade deficit with Japan continuing to rise in the first quarter of this year (2.08 billion U.S. dollars), CEPD officials said the country should identify the major causes behind such huge trade gaps.

# **Representative in Canada Pledges Better Relations**

*OW1704221091 Taipei CNA in English 1437 GMT  
17 Apr 91*

[Text] Montreal, April 16 (CNA)—Henry C.Y. Wang, representative of the Taipei Economic and Cultural Office (TECO) in Canada, made his first public appearance here Tuesday night.

The TECO represents the Republic of China's interests in Canada in the absence of diplomatic relations between the two countries.

Wang arrived here Tuesday from Toronto to address a farewell meeting for Chinese and Canadian delegates to the fifth joint meeting of Canada-Taiwan Business Association.

He told an audience of some 200 business leaders of both countries that the TECO is setting up two offices in Toronto and Vancouver, with the former in charge of operations in seven eastern provinces.

The Vancouver office has a jurisdiction of three western provinces plus two special regions—the Yukon and Northwest Territories.

The veteran Chinese diplomat pledged all-out efforts to promote economic and cultural relations between the two countries.

## Hong Kong

### Sino-UK Airport Controversy Continues

#### Deng Condemns Plan

*HK1904022091 Hong Kong HONGKONG STANDARD in English 19 Apr 91 p 1*

[By Cheung Po-ling]

[Text] China's paramount leader Deng Xiaoping has condemned Hong Kong's airport project as a plot by Britain to drain the territory's reserves before 1997.

His words are the strongest and highest-level attack on the project since it was announced in 1989.

They are part of an instruction issued by the octogenarian leader to Beijing's airport negotiators to stand firm and not to make concessions easily, Chinese sources said yesterday.

The sources said Mr Deng and other leaders in power were not happy with the British way of handling the Hong Kong issues, in particular the dispute over the multi-billion-dollar airport.

They said Mr Deng regarded the whole concept of the Port and Airport Development Strategy as a "plot" by the British authorities to drain the financial reserves of the future Hong Kong Special Administrative Region.

And the fact that the British government decided to go ahead with the projects without prior consultation with China had also upset him.

Mr Deng had asked Premier Li Peng and Lu Ping, the director of the State Council's Hong Kong and Macao Affairs Office, both overseeing the progress of the airport negotiations, not to bow to the demands of the British government easily, they said.

Chinese officials fully understand that the airport scheme would fail to proceed as scheduled without the support of the mainland.

It is understood China would not mind any postponement of the airport's construction, since it believes the project should be suspended until there is a clear understanding from Britain of how much say Beijing will have in major Hong Kong issues.

The latest remarks by Mr Lu, supporting the release of the Chinese proposals over the airport project to the public, is also understood to be a tough gesture to press Britain to soften its position.

The Hong Kong and Macao Affairs Office vice-director, Chen Ziyang, added that he did not think the latest talks had been a failure since an adjournment proposed by Britain was accepted by China.

Although China insists it does not have the least intention of seeking a co-administration over the territory before 1997, it does demand a final say on all important issues straddling 1997.

This in British eyes meant effectively "veto power".

Meanwhile, a senior official source said in Hong Kong yesterday there had been no initiative during the past few days to reopen discussions with the Chinese negotiators on the airport project.

"We put our submissions to the Chinese team last Friday and our position has not changed since then," he said.

#### Plan 'Might Be Scrapped'

*HK1904091491 Hong Kong AFP in English 0854 GMT 19 Apr 91*

[Text] Hong Kong, April 19 (AFP)—Hong Kong is considering upgrading its existing airport at Kai Tak as its new airport plan, which is a thorny issue vis-a-vis China, just might be scrapped, a senior government source indicated Friday.

"Options are being looked at" if Britain, representing this British colony, and China, which resumes sovereignty here in 1997, fail to reach an agreement on the controversy, the source said.

The source was commenting on a report in the local South China Morning Post Friday which said the colonial administration has ordered a "rush study" on Kai Tak to prepare for the possibility that the 10 billion U.S. dollar replacement airport scheme "may have to be scrapped or shelved."

The report said one way being mooted to expand Kai Tak, now more than 65 years old, was to give "priority to wide-bodied jets" in using the single runway.

Such a measure could "lead to the loss of business from airlines flying small aircraft, particularly the Civil Aviation Administration of China", Beijing's flag carrier, it said.

The Hong Kong government had earlier dropped any expansion plan for Kai Tak on urban Kowloon peninsula for the economic benefits a replacement airport would bring—including the land to be made available by the old airport.

Beijing has persistently demanded a say in the mammoth new airport project, which it feared would bankrupt the territory before the handover.

Sino-British talks on the issue ended inconclusively last week with no dates yet being fixed for the next round of negotiations.

### Options Studied

HK1904023491 Hong Kong SOUTH CHINA  
MORNING POST in English 19 Apr 91 p 1

[By Fanny Wong]

[Text] The Government has ordered officials to carry out a rush study of the scope for expanding the capacity of Kai Tak airport to prepare for the possibility that the Chek Lap Kok plan may have to be scrapped or shelved.

The officials received the order a week ago after British negotiators returned from Beijing and briefed the Governor on the progress of talks with China.

They were told a preliminary assessment should be ready for a special meeting of the Executive Council to be held tomorrow.

The special session, the fourth called by the Governor, Sir David Wilson, during the crisis over the airport, is expected to focus on different options including whether to press ahead with the Port and Airport Development Strategy (PADS), which is bogged down in political negotiations between London and Beijing.

Physical constraints imposed by Kai Tak's location have made further expansion, on top of the current improvement programme, difficult.

But three measures which might address Kai Tak's saturation problem include:

- Lifting the curfew between midnight and 6.30 am.
- Giving priority to wide-bodied jets in respect to using the runway.
- Giving priority to runway users who are willing to pay higher landing charges.

Although none of the options is considered good, the possibility of abandoning the Chek Lap Kok plan amid the political impasse has forced officials to have second thoughts about these measures.

It is understood that when the Government did the whole range of studies ahead of PADS, maximising the use of Kai Tak to boost capacity was considered the least cost-effective choice. The officials are using these studies as a basis for the new report.

In lifting the night curfew, they will have to consider the impact of noise pollution on the 350,000 residents living under the flight paths and around the Kai Tak complex.

Even if environmental objections were overcome, it is not known if airline schedules are flexible enough to take up the extra capacity.

The option of giving priority to wide-bodied jets might lead to the loss of business from airlines flying small aircraft, particularly the Civil Aviation Administration of China (CAAC).

The commercial means involve landing rights being auctioned and distributed to the highest bidders, allowing control of numbers while keeping revenue at a maximum and maintaining Hong Kong's position as an aviation hub.

Under this arrangement, CAAC would also be affected.

During tomorrow's session, the Executive Council is also expected to examine four possible scenarios on PADS:

- Shelving the scheme.
- Going ahead with the scheme without private investment.
- Accepting China's demands in exchange for an early construction.
- Continuing efforts to persuade the Chinese to drop the stringent demands which will compromise Hong Kong's high degree of autonomy.

It is anticipated that the council will carry over the discussion to its regular meeting next Tuesday.

Meanwhile, China is also reviewing its latest position in relation to the airport talks.

China's two top representatives in Hong Kong, the Director of the local branch of the New China News Agency, Mr Zhou Nan, and the leader of the Chinese team of the Sino-British Joint Liaison Group, Mr Guo Fengmin, have been recalled to Beijing.

The pair is understood to have left for the Chinese capital on Tuesday and they are expected to assist officials in the State Council's Hong Kong and Macao Affairs Office and the Foreign Ministry to review Beijing's strategy on the airport row.

### Commentary Views Talks

HK1904035291 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 1348 GMT 18 Apr 91

[Commentary by Gao Xin (7559 2450): "Why Not 'List' Both Plans?": Commenting on Differences on New Airport Talks"—ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 18 Apr (ZHONGGUO TONGXUN SHE)—Recently, the Sino-British airport talks have become complicated and confusing. The Hong Kong Government has briefed Executive Council members, but Legislative Council members are still kept in the dark and, therefore, they call on the Hong Kong Government to make the details public.

On the other hand, Lu Ping, director of the Hong Kong and Macao Affairs Office, disclosed that the Chinese side had forwarded a rational plan which would enable Hong Kong to build a highly efficient airport without increasing taxes or incurring debts and leaving sufficient



reserves to the special administrative regional government. Immediately after that, the Hong Kong Government announced: "A proposal was submitted to the Chinese side last week. It is believed this proposal should be able to solve all matters of concern to the Chinese side and, at the same time, enable Hong Kong to engage in building the airport in an efficient and practical way and to continuously fulfill its obligation for the effective administration of Hong Kong."

Now both the Chinese side and the Hong Kong Government have forwarded their plans to the other side. This is a gratifying sign that both sides hope to build a new airport, to cooperate, and to resolve differences. It is believed that those Hong Kong people who are interested in the new airport issue want to know the true contents of the two plans in order to make a comparison. But both sides agree to keep the talks confidential and, naturally, the relevant plans forwarded by both sides are also listed as confidential. For this reason, the vast numbers of ordinary Hong Kong people are in the dark, and even Legislative Council members seemingly do not know much about it either. As a result, like a blind person groping for an elephant, people can hardly have a criterion in airing their views.

Keeping the talks confidential is indeed advantageous to a cautious study of the other party's positive proposal and adjustment of one's stand and viewpoint to facilitate solution of the problem. This method was adopted during the Sino-British talks on the Joint Statement and the Hong Kong people were satisfied with the results attained afterwards. But keeping talks confidential is not always successful either. Especially when it is used to harm the other side, the need for openness manifests itself. Although for a time, China and Britain engaged in "microphone diplomacy" due to differences on the new airport, nothing was achieved in talks. The defect of "microphone diplomacy" is that by making public one's proposition and bottom line it is hard for either party to make concessions under the public spotlight. This is by no means due to excessive openness. On the contrary, the "microphone diplomacy" is precisely caused by the lack of openness.

As the saying goes, "Comparisons are odious." In a market of free competition, all flower sellers praise the flowers they sell. How do we assess them and choose? The best way is for the Chinese side and the Hong Kong Government to "list" their own "flowers"—the new airport plans. By so doing, not only can they justify themselves to the Hong Kong people and thus remove the long-standing accusation of "lacking openness" on the airport plan, but they can also pool wisdom and learn from other's strong points to offset one's weakness. And the new airport can be built in a way more in keeping with Hong Kong's practical needs and the Hong Kong people's best interests, thus further improving Sino-British cooperative relationship. This is an act of killing several birds with one stone. Why not go ahead with it?

### 'Mutual Sincerity' Urged

HK1304070391 Hong Kong TA KUNG PAO in Chinese  
13 Apr 91 p 1

[Commentary: "Mutual Sincerity Important in Talks"]

[Text] The new Hong Kong airport plan has attracted public attention for over a year. News reports following visits by Ji Pengfei and Lu Ping to Hong Kong and Hurd's visit to Beijing, show that constant progress has been made in the Sino-British talks on the issue. Both sides have gradually sought ways to resolve the problems raised. The public expects consensus and an agreement to be reached between China and Britain on the issue so that construction of the new airport can start as quickly as possible and benefit Hong Kong people.

In fact, the problem could easily be resolved. It is the common understanding reached between the Chinese and British Governments that Hong Kong needs a new airport for its future development. Chinese officials from the premier to those responsible for Hong Kong affairs have expressed their views on this issue on numerous public occasions. The problem lies in the plan itself, as huge funds are required for the construction of the new airport which goes beyond 1997. Although construction of the new airport will start under the British Government in Hong Kong before 1997, the government of the Special Administrative Region [SAR] will have to undertake the numerous responsibilities in the future, so it is quite natural for the Chinese Government to take part in the plan. Herein lies our moral obligation and responsibility. Moreover, this is also clearly stipulated in the Sino-British Joint Declaration. This truth is known to all. Without definite support of the Chinese Government, the private sector will hesitate and not participate in the plan. For this reason, the British Government has asked the Chinese Government to declare its position and has agreed to hold talks with the Chinese Government. In the course of the consultations, the Chinese Government expressed principled views, expecting the new airport plan to be a highly efficient one with less investment, to benefit the Hong Kong people, and not to impose a burden on the Hong Kong people. The Chinese Government also wished that the opinions of the Hong Kong people would be extensively solicited on the contents involving the airport plan and supervision over implementation, that transparency be increased, and that sufficient reserves be left for the SAR government. The Chinese Government also wishes that the reserves not be exhausted after implementation of the plan, which may throw the SAR government into tight circumstances or even into debt at the time of its establishment, or affect its capability to deal with financial problems. These views are quite reasonable.

Some people went so far as to blame these reasonable views of the Chinese Government, saying that they constituted interference in Hong Kong's internal affairs and that the Chinese Government intended to exercise

condominium during the transition period, exercise control over Hong Kong administrative management, and undermine the authority of the Hong Kong Government's administration. To this end, Chinese Foreign Minister Qian Qichen clearly stated that the Chinese Government has no intention of meddling in the daily administrative affairs of the Hong Kong Government before 1 July 1997. The Chinese Government will not exercise condominium, or exercise control over administrative management of the British Government, or want veto power in this regard. Regarding the smooth transfer of government in 1997 and matters beyond 1997 which are the responsibility of the SAR government, however, the Chinese Government must participate in deliberations. The projects can be put into implementation only after an agreement is reached between the Chinese and British sides through consultations. This is reasonable and it is also stipulated in the Joint Declaration. It is absolutely wrong for some people to alter the meaning of deliberation to consultation. Conversely, if the plan is implemented unilaterally without consultation with the Chinese Government and without their deliberation and agreement, it would be tantamount to a violation of the spirit of the Sino-British Joint Declaration and interference in the administrative affairs of the future SAR government.

Now the talks on the new airport plan are still under way in Beijing. We hope that both sides will show sincerity, strictly follow the spirit of the Sino-British Joint Declaration, develop close cooperation between the two sides for the sake of Hong Kong's long-term stability and prosperity, and not play tricks or try to mobilize some people to launch an offensive of public opinion in an attempt to influence the talks. It should be noted that these methods will not work.

#### Editorial Examines PRC Role

*HK1904120991 Hong Kong WEN WEI PO in Chinese  
18 Apr 91 p 2*

[Editorial: "Crux of New Airport Issue"]

[Text] Has the Chinese side only the right of "consultation" or should it participate in "examination and discussion" concerning the important problems of Hong Kong spanning 1997? This question sprang from the most recent Sino-British talks on the new airport issue.

In fact, the question of whether or not the Chinese side has the right to participate in the examination and discussion of the measures to be adopted for smooth transition in 1997 has already been solved in the Sino-British Joint Declaration. Appendix II to the Joint Declaration provides very clearly and definitely for what should be examined and discussed by both the Chinese and British sides in the first half and the last half of the transition period. Nevertheless, some people maintain that the "examination and discussion" in the Joint Declaration only means "consultation." In fact, it is insignificant to pay excessive attention to wording. It is

because half of the transition period has already elapsed and "examination and discussion" has already become a fact acceptable to both the Chinese and British sides. For example, the questions of participating in some international organizations and attending international conferences concerning Hong Kong by the future Hong Kong Special Administrative Region, the questions of all leases of land granted and the sale of land, the questions of the pensions of public servants, and so on are all solved by both Chinese and British sides through "examination and discussion" but not through "consultation."

China must participate in the examination and discussion of the issue of the new airport for the reason that the huge new airport construction project that spans 1997 will have an important effect on the Hong Kong Special Administrative Region. For example, regarding the right of operation and patent right of all facilities of the new airport, if the Hong Kong British Government assigns the private sector to operate these facilities, all leases granted or the contracts of patent right that span 1997 must be supported by China before commercial circles can participate. Furthermore, if the Chinese side does not make known its position on supporting the debts for the construction of the new airport that span 1997, nobody will lend money to the Hong Kong British Government. However, if the Chinese side is required to make known its position on support, it must be allowed to participate in examination and discussion. How can it declare where it stands if it does not know the ins and outs of the matter?

However, in such an important matter that spans 1997, with the reason of emphasizing the so-called "effective administration," the British side does not agree to the Chinese side's participation in examination and discussion but only expresses its willingness to supply data and to consult with the Chinese side for the latter's views so that both the Chinese and British sides have so far been unable to reach an agreement on the new airport issue. Such a reason does not conform to the spirit of the Sino-British Joint Declaration. The Joint Declaration provides that the United Kingdom is responsible for administration until 30 June 1997 and that it has no right to carry out so-called "effective administration" of the affairs that span 1997. To maintain Hong Kong's economic prosperity and social stability in the transition period and to guarantee the solution of the problems that span 1997 in the transition period, the Appendix II to the Sino-British Declaration clearly and definitely provides for the matter concerning the Chinese side's participation in examination and discussion. Obviously, only by insisting on the British side's "effective administration" of the affairs before 1997 and only by insisting on the Chinese side's participation in the examination and discussion of the important affairs that span 1997 can we completely embody the spirit of the Joint Declaration; only by acting on the basis of this spirit can we properly solve the new airport problem.

Will it be beneficial to the Hong Kong British Government's administration if the Chinese Government does

not participate in the examination and discussion of the important affairs spanning 1997 and undertake the duties and obligations spanning 1997? Will it be beneficial to Hong Kong's prosperity and stability? The answer is negative. Everybody knows that there are only six years left for the Hong Kong British Government's administration while the Special Administrative Region Government is required to undertake the responsibilities for the contracts regarding the new airport signed by the Hong Kong British Government. Under such circumstances, the Chinese side's cooperation is just necessary for upholding the Hong Kong Government's administration authority and maintaining Hong Kong's prosperity and stability. After 1 July 1997, Hong Kong will set up the Special Administrative Region Government whose constitutional source of administrative power is the PRC National People's Congress [NPC] and the Basic Law it formulated. Before the founding of the Special Administrative Region Government, only the Chinese Government can represent the future Special Administrative Region Government. If the Hong Kong British Government hopes that the contracts it signs before 1997 will be recognized by the future Special Administrative Region Government, it must allow the Chinese side to participate in examination and discussion. This will not fundamentally infringe upon the Hong Kong British Government's administration authority.

As far as the Chinese side is concerned, it has never had any intention to and will not in the future carry out "interference" in Hong Kong's day-to-day administrative affairs before 1997. In light of the spirit of the Joint Declaration, the Chinese Government has all along supported the British side in the effective administration of Hong Kong's day-to-day administrative affairs before 1997. However, regarding the important affairs spanning 1997, the Sino-British Joint Declaration provides that the Chinese side should participate in examination and discussion. How can it be called cooperation if on the one hand China is required to make known its position on the important affairs spanning 1997 and to undertake responsibilities, and on the other hand China is not allowed to participate in the examination and discussion of these important affairs?

### Issues of Transitional Period Discussed

HK1404061691 Hong Kong WEN WEI PO in Chinese  
11 Apr 91 p 2

[Editorial: "Attention Should be Given to Issues in Second Half of Transition Period"]

[Text] Hong Kong is now at the second half of the transition period. This is the greatest reality Hong Kong people are facing. However, not all the people have paid due attention to this reality. A few days ago, WEN WEI PO held a forum entitled "The Basic Law and the Second Half of the Transition Period" to mark the first anniversary of the promulgation of the Basic Law. At the forum, many scholars urged the parties concerned to face squarely the fact that Hong Kong has entered the second

half of the transition period so that this period will be a real one. This view merits attention.

It is clearly stated in the Sino-British Joint Declaration on the Question of Hong Kong that Hong Kong enters the transition period upon the date the Joint Declaration goes effect. At the same time, the Joint Declaration has made relevant stipulations to ensure the smooth transfer of government. It should be noted that paying attention to the question of transition constitutes one of the basic ideas of the Sino-British Joint Declaration. After entering the transition period, the parties concerned should not merely apply the methods of the first half of the transition period to deal with Hong Kong affairs. Instead, they should abide by the Sino-British Joint Declaration, establish a sense of transition, and pay attention to this question.

Since the official promulgation of the Basic Law, Hong Kong has entered the second stage, that is, the second half of the transition period. The Basic Law is the substantiation of the spirit of the Sino-British Joint Declaration. Clause 12, article 3 of the Sino-British Joint Declaration stipulates: The Joint Declaration clearly states that the basic policies of the PRC regarding Hong Kong, and the elaboration of them in Annex 1 to the Joint Declaration, will be stipulated in the Basic Law of the Hong Kong SAR of the PRC by the National People's Congress of the PRC. The Basic Law is the paramount code for the Hong Kong SAR. Its outcome offers the legal ground for convergence in 1997. As a result, convergence has become the most pressing problem. This is the different point between the first and second half of the transition period. Viewed from the relationship between the Basic Law and the Sino-British Joint Declaration, the pressing problem of convergence following the promulgation of the Basic Law is a reality which must be accepted by the parties concerned rather than one party alone.

The most important point of paying attention to the second half of the transition period is to attach importance to the question of convergence with the Basic Law, ensure effective implementation of the convergence work during the second half of the transition period, and make the convergence in 1997 a gradual and smooth transition. Otherwise, the convergence in 1997 will become a sudden, unsmooth process or the transition period will be postponed further beyond 1997. To avoid turbulence in 1997, British Foreign Secretary Hurd told reporters a few days ago, the transition should be as smooth as possible. Undoubtedly, this is a positive attitude which must be affirmed.

It is in the fundamental interests of the Hong Kong people to effect a transition in a smooth manner. Regarding the vast numbers of Hong Kong people, there is an internal demand for paying attention to the second half of the transition period. Meanwhile, a smooth transition requires good cooperation between China and Britain as well as participation and coordination of the broad ranks of Hong Kong people. For this reason, to



pay attention to the second half of the transition period, it is necessary to increase the extent of participation of the Hong Kong people. On the one hand, the Chinese side should increase mutual understanding between Hong Kong and the interior through various means and channels and increase the participation Hong Kong people in the country's relevant affairs. On the other hand, and more importantly, the British side should increase the transparency of administration under the current structure of Hong Kong and give full play to its role of consultation so that problems in the second half of the transition period can be resolved through consulting the Hong Kong people.

Paying attention to publicity of the Basic Law is essential while attaching importance to the second half of the transition period. Over the past year or so, a number of persons and organizations have done a great deal of work to publicize the Basic Law or have made some useful proposals, such as establishing research organizations, preparing propaganda video programs, and making suggestions that the Basic Law be included in the citizen education course in schools. All this should be affirmed. Moreover, we cannot shut our eyes to the propaganda which distorts or plays down the significance of the Basic Law. To publicize and understand the Basic Law, the most important thing is to enable Hong Kong inhabitants to accept the Basic Law. The more Hong Kong people accept the Basic Law, the more hope there will be for the smooth transition and long-term stability and prosperity. For this reason, the authorities, the Hong Kong people, and the media should show their sense of responsibility.

#### PRC Loss of MFN May Damage Local Economy

HK1904023091 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 19 Apr 91 p 1

[By Curtis Young]

[Text] Hong Kong's gross domestic product [GDP] could fall 2.1 percent or \$10.70 billion to a flat \$496.353 billion over the next year if the United States fails to renew China's most favoured nation status this year, analysts say.

The Government has forecast GDP to grow 3.5 percent this year.

Loss of the annually reviewed MFN status also stands to slash China's exports to the U.S. by as much as 70 to 80 percent.

The MFN trade clause accords the mainland equal treatment regarding tariffs and quotas the U.S. extends to other most-favoured nations.

Senator Patrick Moynihan (Republican-New York) recently introduced a resolution of disapproval that could be voted on if President Bush tries to renew the MFN waiver.

Mr Bush must decide by June 3.

The loss of MFN status is likely to be a blow that China can ill-afford as the mainland recovers from the austerity measures implemented at the end of 1988, analysts believe.

The damage to China's exports to the U.S., its largest market, is forecast to be in the order of a \$76.44 billion slump. The U.S. buys more than 25 percent of Chinese exports.

"The revoking of MFN status for China will be serious for both China and Hong Kong," said Dr Yun-wing Sung, senior lecturer in economics at the Chinese University of Hong Kong. However, he said it was still unresolved exactly what scale of economic damage the loss of MFN would entail. There were few reliable estimates.

Dr Alan McLean, Hong Kong Bank's chief economist, strongly suggested in a January report that the loss of MFN would batter Hong Kong.

Dr McLean said a rapid structural shift of local manufacturing to southern China had taken place over the past decade.

About 78 percent of Hong Kong's domestic exports to China related to outward processing—or material transformation—on the mainland by June 1990.

Moreover, Hong Kong's growing dependence on the U.S. market—37.6 percent of domestic exports and 23.8 percent of re-exports—coupled with the shift of the territory's manufacturing base to China, clearly indicated the potential hazards the loss of MFN carried.

From 1979 to 1989, Guangdong approved 11,213 individual direct foreign investment projects amounting to \$118.248. Hong Kong investment accounted for 90 percent of these projects.

Analysts said it was inevitable that Hong Kong could not be insulated from the U.S.-China trade policy.

"Over two-thirds of China's \$109.2 billion exports to the U.S. were labour-intensive," said Dr Sung.

"Most of them were made in Guangdong factories and many of these factories were run by Hong Kong investors."

Last year, more than 64 percent of China's exports to the U.S. were routed through Hong Kong for assembly and re-export, yet China counted them as exports to Hong Kong.

Consequently, China ran up an \$81.9 billion trade surplus with the U.S. last year, America's largest after the surpluses of Japan and Taiwan.

Dr Sung said Hong Kong's economic integration with China meant local investors would suffer losses in production, re-export earnings, supporting industries and final processing here.



The net losses could be a 2.1 percent drop in Hong Kong's GDP and 0.5 percent in China's GDP.

"The MFN dispute underlies that the Hong Kong economy is so internationalised that a dispute not connected with Hong Kong directly could nevertheless have disastrous spillover effects on Hong Kong," he said.

"The Hong Kong-China synergy would be dealt a severe blow."

#### **Guangzhou Vice Mayor on Pearl River Cooperation**

*OW1604203491 Beijing XINHUA in English*

*1521 GMT 16 Apr 91*

[Text] Hong Kong, April 16 (XINHUA)—Visiting Vice-Mayor of Guangzhou City Lei Yu said that closer and more extensive cooperation between the areas will make a prosperous and vigorous Pearl River Delta-Hong Kong-Macao economic zone in the Asia-Pacific region in the 1990s.

Speaking here today at a seminar on the development of economic relations between the Pearl River Delta area and Hong Kong, Lei said the delta would like to make concerted efforts with industrial and commercial circles in Hong Kong to explore new ways and means for better cooperation.

Guangzhou is the core city of the Pearl River Delta which since 1978 has become a pioneering area in China's open and reform drive. Lei noted in his speech that at present there are more than 7,000 foreign-invested enterprises and more than 10,000 processing enterprises in the Pearl River Delta area. Total employment of these enterprises exceeds one million.

The Pearl River Delta, with an area of 44,300 square kilometers and a population of 16 million, constitutes about one fourth of the total area and population of Guangdong Province, southern China.

He said that in Guangzhou, from 1979 till the end of 1990, 1,803 contracts with foreign investment were approved, involving a total foreign capital of 2,953 million U.S. dollars, of which 1,000 million U.S. dollars had been put to use.

The vice-mayor said the economic cooperation between the Pearl River Delta area and the Hong Kong-Macao area has a long history, but it was not until the 1980s that the cooperation between the two areas ushered in a new period, with wider scope of cooperation and more diversified cooperation forms.

He noted that the scope and fields of cooperation will be further expanded and such cooperation will develop from an elementary stage to an advanced stage.

In the past decade, Lei noted, the combination of comparative advantages of the delta area and Hong Kong to a certain degree had shown its initial strength, but such

combination is elementary and scattered and its role has not yet been brought into full play.

For instance, he said, Guangzhou has solid scientific and technological strength. In the past few years, 1,600 to 2,000 scientific and technological achievements were yielded each year. But due to such reasons as lack of funds and experience, some of these achievements have not been transformed into productive forces.

Lei said if Hong Kong can use its funds and experience to combine with the technical force of Guangzhou, the improvement of quality and renewal of product variety will be sped up.

He suggested that a non-governmental brain trust composed of specialists, scholars and industrialists be set up to give useful counsel for the economic cooperation.

The seminar was jointly sponsored by the Chinese General Chamber of Commerce and the Hong Kong Trade Development Council and the World Trade Centers Association.

#### **Hong Kong TV Service Begins Test Broadcasting**

*OW1904103891 Beijing XINHUA in English*

*0944 GMT 19 Apr 91*

[Text] Hong Kong, April 19 (XINHUA)—The multi-channel Star TV (Satellite Television Asian Region) Service of Hong Kong Hutchvision Limited today began test broadcasting on a single channel throughout the Asian region.

This represents another significant milestone in the development of the first pan-Asian satellite television service.

The Hutchvision Limited is a joint venture between the Hutchison Whampoa Limited, a Hong Kong-based multi-national corporation, and a company controlled by Hong Kong industrialist Li Ka-shing and his family.

The Hong Kong Government issued a licence last December to Hutchvision to operate a pan-Asian satellite television service through Asia Satellite-1, which was successfully launched in April last year by a Chinese Long March-3 rocket.

Star TV will be receivable in 38 countries with more than 50 percent of the world's population. Its programs will beam into all the region's major capital markets.

The test broadcasts are being transmitted initially in two seven-hour blocks of programming spread over a 24-hour period.

Programs being broadcast include music, sports, and financial information, the schedules being regularly updated.

Before the end of the year, the preview channel would evolve into a three-channel service providing music, sports and Chinese (Mandarin) programs.

**Macao**

**Sino-Portuguese Liaison Group Meets**

*OW1204182291 Beijing XINHUA in English  
1502 GMT 12 Apr 91*

[Text] Macao, April 12 (XINHUA)—The tenth meeting of the Sino-Portuguese Liaison Group ended here today with a series of agreements reached between the two sides.

A communique issued here today said the meeting proceeded in a friendly, cooperative and constructive atmosphere.

During the four-day meeting, the communique said, the two sides continuously held consultations on Macao's joining in related international organizations and reached an agreement on the maintenance of its position in the international criminal police organization after 1999.

It expressed satisfaction over Macao's joining in the Economic and Social Commission for Asia and the Pacific (ESCAP), adding that it was a result of common consultations and fruitful cooperation between the two sides.

Both sides agreed to convene a meeting of experts to continuously study the question on Macao's joining in the related international organizations.

The communique said the two sides examined the work on the localization of civil servants, the official status of the Chinese language, and that of the working group on the translation of law into Chinese.

During the meeting, the two sides signed a summary of talks on the status of both Chinese and Portuguese languages in accordance with an agreement that the two foreign ministers reached on February 22 in Lisbon.

The two sides also concluded an agreement on the exchange of identity cards for Macao residents straddled in 1999 and signed a summary of talks.

The communique announced that the 11th meeting of the Sino-Portuguese Joint Liaison Group is scheduled to be held in Beijing between September 10 and 13 this year.

The tenth meeting was attended by Kang Jimin, head of the Chinese delegation of the Joint Liaison Group, and Pedro Catarino, head of the Portuguese delegation of the group.

**END OF**

**FICHE**

**DATE FILMED**

24 April 1991

